

**AMMB HOLDINGS BERHAD**  
**Registration No. 199101012723 (223035-V)**  
**(Incorporated in Malaysia)**  
**Condensed Financial Statements**

**AUDITED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	Group		Company	
		31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021
		RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>					
Cash and short-term funds	A8	13,221,099	18,809,478	717,660	689,326
Deposits and placements with banks and other financial institutions	A9	1,301,449	103,028	-	-
Derivative financial assets	A32	821,373	1,291,190	-	-
Financial assets at fair value through profit or loss	A10	7,216,560	9,561,974	1,128	1,104
Financial investments at fair value through other comprehensive income	A11	18,756,757	17,786,198	-	-
Financial investments at amortised cost	A12	9,037,766	6,043,474	-	-
Loans, advances and financing	A13	118,065,685	110,616,504	-	-
Statutory deposits with Bank Negara Malaysia		376,523	425,278	-	-
Deferred tax assets		218,551	134,350	-	-
Investments in subsidiaries and other investments		-	-	10,857,350	10,407,425
Investments in associates and joint ventures		604,542	588,937	-	-
Other assets	A14	2,885,319	2,452,201	11,615	1,833,358
Reinsurance assets and other insurance receivables	A15	580,705	432,684	-	-
Property and equipment		180,968	215,934	-	1
Right-of-use assets		189,372	270,753	-	-
Intangible assets		1,399,912	1,443,947	-	-
Assets held for sale		2,324	2,324	-	-
<b>TOTAL ASSETS</b>		<b>174,858,905</b>	<b>170,178,254</b>	<b>11,587,753</b>	<b>12,931,214</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A16	122,592,850	120,543,186	-	-
Investment accounts of customers		377,861	94,834	-	-
Deposits and placements of banks and other financial institutions	A17	9,894,585	9,920,887	-	-
Securities sold under repurchase agreements		1,582,717	810,171	-	-
Recourse obligation on loans and financing sold to Cagamas Berhad		8,375,023	7,275,018	-	-
Derivative financial liabilities	A32	803,563	1,269,809	-	-
Term funding		1,880,097	1,749,870	-	-
Debt capital		4,395,000	4,295,000	-	-
Redeemable cumulative convertible preference shares		-	238,713	-	-
Deferred tax liabilities		8,093	19,669	-	-
Other liabilities	A18	4,302,862	5,891,731	533,827	2,872,422
Insurance contract liabilities and other insurance payables	A19	2,687,361	2,479,007	-	-
<b>Total Liabilities</b>		<b>156,900,012</b>	<b>154,587,895</b>	<b>533,827</b>	<b>2,872,422</b>
Share capital	A6 (i)	6,776,240	5,951,557	6,372,870	5,550,250
Treasury shares		(11,041)	(20,970)	(11,041)	(20,970)
Reserves		9,994,593	8,710,190	4,692,097	4,529,512
Equity attributable to equity holders of the Company		16,759,792	14,640,777	11,053,926	10,058,792
Non-controlling interests		1,199,101	949,582	-	-
<b>Total Equity</b>		<b>17,958,893</b>	<b>15,590,359</b>	<b>11,053,926</b>	<b>10,058,792</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>174,858,905</b>	<b>170,178,254</b>	<b>11,587,753</b>	<b>12,931,214</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A31	<b>122,661,380</b>	<b>136,999,665</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS PER SHARE (RM)</b>		<b>5.06</b>	<b>4.87</b>	<b>3.34</b>	<b>3.34</b>

The audited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 March 2021.

**AMMB HOLDINGS BERHAD**  
**Registration No. 199101012723 (223035-V)**  
**(Incorporated in Malaysia)**  
**Condensed Financial Statements**

**AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Note	Individual Quarter		Cumulative Quarter	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
		RM'000	(Restated) RM'000	RM'000	(Restated) RM'000
Interest income	A20	1,022,320	1,009,189	4,066,613	4,155,780
Interest expense	A21	(456,933)	(436,462)	(1,770,242)	(2,063,873)
Net interest income		565,387	572,727	2,296,371	2,091,907
Net income from Islamic banking		277,857	201,559	1,062,026	929,659
Income from insurance business		325,666	336,681	1,334,847	1,398,558
Insurance claims and commissions		(202,972)	(199,220)	(858,280)	(904,245)
Net income from insurance business	A22	122,694	137,461	476,567	494,313
Other operating income	A23	148,006	210,729	785,960	992,763
Share in results of associates and joint ventures		9,229	6,860	44,091	43,813
Net income		1,123,173	1,129,336	4,665,015	4,552,455
Other operating expenses	A24	(557,322)	(524,654)	(2,094,227)	(2,132,235)
Operating profit before impairment losses and settlement		565,851	604,682	2,570,788	2,420,220
Writeback of/(Allowances for) impairment on loans, advances and financing	A25	243,831	(252,776)	(314,179)	(913,235)
(Allowances for)/Writeback of impairment on:					
Financial investments	A26	(166,528)	(204,217)	(270,240)	(195,225)
Insurance receivables		1,792	3,113	1,681	6,208
Other financial assets	A26	(1,952)	115	(1,878)	332
Provision for commitments and contingencies - charge		(128,771)	(45,294)	(176,988)	(39,296)
Other recoveries, net		180	6,832	186	4,469
Impairment of goodwill		-	(1,789,153)	-	(1,789,153)
Impairment of investment in associate		-	(147,819)	(4,625)	(147,819)
Settlement		-	(2,830,000)	-	(2,830,000)
Profit/(Loss) before taxation and zakat		514,403	(4,654,517)	1,804,745	(3,483,499)
Taxation and zakat	B5	(96,469)	(15,034)	(209,806)	(228,595)
<b>Profit/(Loss) for the financial quarter/year</b>		<b>417,934</b>	<b>(4,669,551)</b>	<b>1,594,939</b>	<b>(3,712,094)</b>
Attributable to:					
Equity holders of the Company		391,750	(4,692,781)	1,502,682	(3,826,466)
Non-controlling interests		26,184	23,230	92,257	114,372
<b>Profit/(Loss) for the financial quarter/year</b>		<b>417,934</b>	<b>(4,669,551)</b>	<b>1,594,939</b>	<b>(3,712,094)</b>
<b>EARNINGS/(LOSS) PER SHARE (SEN)</b>	B10				
Basic/Diluted		11.83	(156.00)	45.54	(127.22)

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**AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit/(Loss) for the financial quarter/year	417,934	(4,669,551)	1,594,939	(3,712,094)
<b>Other comprehensive income/(loss):</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Remeasurement of defined benefit liability	(247)	1,623	(1,133)	1,213
Financial investments at fair value through other comprehensive income ("FVOCI")				
- net unrealised (loss)/gain on changes in fair value	-	(33)	3,148	93,242
Tax effect relating to components of other comprehensive income				
- defined benefit liability	59	(389)	272	(291)
- financial investments at FVOCI	-	6	-	314
	<u>(188)</u>	<u>1,207</u>	<u>2,287</u>	<u>94,478</u>
<b>Items that may be reclassified subsequently to statement of profit or loss</b>				
Currency translation gain/(loss) on foreign operations	2,523	7,975	3,879	(13,675)
Cash flow hedge				
- gain arising during the financial quarter/year	59	630	1,654	5,615
- amortisation of fair value changes for terminated hedges	1,547	2,740	8,724	9,130
Financial investments at FVOCI				
- net unrealised (loss)/gain on changes in fair value	(116,678)	(305,811)	(260,663)	19,166
- net gain reclassified to profit or loss	(156)	(6,596)	(4,813)	(25,507)
- changes in expected credit losses	(16,929)	(5,783)	2,263	(14,392)
- foreign exchange differences	1	4	2	(5)
Tax effect relating to the components of other comprehensive income				
- cash flow hedge	(386)	(809)	(2,491)	(3,539)
- financial investments at FVOCI	28,040	66,995	63,626	1,691
Share of reserve movements in equity accounted joint ventures	(827)	(589)	(4,255)	(1,030)
	<u>(102,806)</u>	<u>(241,244)</u>	<u>(192,074)</u>	<u>(22,546)</u>
Other comprehensive (loss)/income for the financial quarter/year, net of tax	<u>(102,994)</u>	<u>(240,037)</u>	<u>(189,787)</u>	<u>71,932</u>
Total comprehensive income/(loss) for the financial quarter/year	<u>314,940</u>	<u>(4,909,588)</u>	<u>1,405,152</u>	<u>(3,640,162)</u>
Total comprehensive income/(loss) for the financial quarter/year attributable to:				
Equity holders of the Company	288,849	(4,933,423)	1,313,317	(3,754,986)
Non-controlling interests	26,091	23,835	91,835	114,824
	<u>314,940</u>	<u>(4,909,588)</u>	<u>1,405,152</u>	<u>(3,640,162)</u>

The audited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 March 2021.

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**Condensed Financial Statements**

**AUDITED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Company	Note	Individual Quarter		Cumulative Quarter	
		31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Interest income	A20	2,754	2,211	19,327	6,550
Other operating income	A23	488	51,272	194,214	355,500
Net income		<u>3,242</u>	<u>53,483</u>	<u>213,541</u>	<u>362,050</u>
Other operating expenses	A24	(5,331)	(5,237)	(17,643)	(22,411)
(Loss)/Profit before taxation		<u>(2,089)</u>	<u>48,246</u>	<u>195,898</u>	<u>339,639</u>
Taxation		(589)	(499)	(4,399)	(1,532)
<b>(Loss)/Profit for the financial quarter/year representing total comprehensive (loss)/income for the financial quarter/year</b>		<b><u>(2,678)</u></b>	<b><u>47,747</u></b>	<b><u>191,499</u></b>	<b><u>338,107</u></b>

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**AMMB HOLDINGS BERHAD**  
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**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Attributable to Equity Holders of the Company											Total equity RM'000
	Non-Distributable							Distributable				
	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	Executives' share scheme reserve RM'000	Treasury shares RM'000	Retained Earnings			Non-controlling interests RM'000	
							Non-participating funds RM'000		Total RM'000			
<b>At 01.04.2020</b>	5,851,557	387,528	635,311	(28,155)	108,667	40,572	(26,916)	45,715	11,566,493	18,580,772	979,268	19,560,040
(Loss)/Profit for the financial year	-	-	-	-	-	-	-	-	(3,826,466)	(3,826,466)	114,372	(3,712,094)
Other comprehensive income/(loss), net	-	-	73,479	11,206	(13,675)	-	-	-	470	71,480	452	71,932
Total comprehensive income/(loss) for the financial year	-	-	73,479	11,206	(13,675)	-	-	-	(3,825,996)	(3,754,986)	114,824	(3,640,162)
Buy-back of shares	-	-	-	-	-	-	(4,588)	-	-	(4,588)	-	(4,588)
Share-based payment under ESS, net	-	-	-	-	-	39,275	-	-	-	39,275	-	39,275
ESS shares vested to employees	-	-	-	-	-	(12,069)	10,534	-	1,535	-	-	-
Transfer from regulatory reserve*	-	(387,528)	-	-	-	-	-	-	387,528	-	-	-
Transfer from retained earnings arising from redemption of preference shares by a subsidiary	100,000	-	-	-	-	-	-	-	(100,000)	-	-	-
Return of capital by a subsidiary	-	-	-	-	-	-	-	-	-	-	(49,000)	(49,000)
Dividends paid	-	-	-	-	-	-	-	-	(219,696)	(219,696)	(95,510)	(315,206)
Transactions with owners and other equity movements	100,000	(387,528)	-	-	-	27,206	5,946	-	69,367	(185,009)	(144,510)	(329,519)
<b>At 31.03.2021</b>	<b>5,951,557</b>	<b>-</b>	<b>708,790</b>	<b>(16,949)</b>	<b>94,992</b>	<b>67,778</b>	<b>(20,970)</b>	<b>45,715</b>	<b>7,809,864</b>	<b>14,640,777</b>	<b>949,582</b>	<b>15,590,359</b>

\* Bank Negara Malaysia ("BNM") had in March 2020 implemented additional measures in response to COVID-19 pandemic. These measures, amongst others, aim to ensure that the financial intermediation function of the financial sector remains intact and banking institutions remain focused on supporting the economy during these exceptional circumstances. As at 31 March 2021, no regulatory reserve was held against expected losses, one of the drawdown of prudential buffers as allowed by BNM.

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**Condensed Financial Statements**

**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Attributable to Equity Holders of the Company											
	Non-Distributable							Distributable				
	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	Executives' share scheme reserve RM'000	Treasury shares RM'000	Retained Earnings			Non-controlling interests RM'000	Total equity RM'000
Non-participating funds RM'000									Total RM'000			
<b>At 01.04.2021</b>	5,951,557	-	708,790	(16,949)	94,992	67,778	(20,970)	45,715	7,809,864	14,640,777	949,582	15,590,359
Profit for the financial year	-	-	-	-	-	-	-	-	1,502,682	1,502,682	92,257	1,594,939
Other comprehensive (loss)/income, net	-	-	(200,692)	7,887	3,879	-	-	-	(439)	(189,365)	(422)	(189,787)
Total comprehensive (loss)/income for the financial year	-	-	(200,692)	7,887	3,879	-	-	-	1,502,243	1,313,317	91,835	1,405,152
Issue of ordinary share capital pursuant to:-												
- private placement	824,683	-	-	-	-	-	-	-	-	824,683	-	824,683
Buy-back of shares	-	-	-	-	-	-	(16,812)	-	-	(16,812)	-	(16,812)
Share-based payment under ESS, net	-	-	-	-	-	(2,173)	-	-	-	(2,173)	-	(2,173)
ESS shares vested to employees	-	-	-	-	-	(29,133)	26,741	-	2,392	-	-	-
Transfer to regulatory reserve	-	102,920	-	-	-	-	-	-	(102,920)	-	-	-
Subscription of shares arising from conversion of redeemable cumulative convertible preference shares by a subsidiary	-	-	-	-	-	-	-	-	-	-	256,164	256,164
Transfer of net gain upon disposal of financial investments at fair value through other comprehensive income to retained earnings	-	-	(8,871)	-	-	-	-	-	8,871	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(98,480)	(98,480)
Transactions with owners and other equity movements	824,683	102,920	(8,871)	-	-	(31,306)	9,929	-	(91,657)	805,698	157,684	963,382
<b>At 31.03.2022</b>	<b>6,776,240</b>	<b>102,920</b>	<b>499,227</b>	<b>(9,062)</b>	<b>98,871</b>	<b>36,472</b>	<b>(11,041)</b>	<b>45,715</b>	<b>9,220,450</b>	<b>16,759,792</b>	<b>1,199,101</b>	<b>17,958,893</b>

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**Condensed Financial Statements**

**AUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Company	Attributable to Equity Holders of the Company				
	Non-Distributable		Distributable		
	Ordinary share capital RM'000	Executives' share scheme reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
<b>At 01.04.2020</b>	5,550,250	40,572	(26,916)	4,341,788	9,905,694
Profit for the financial year	-	-	-	338,107	338,107
Total comprehensive income for the financial year	-	-	-	338,107	338,107
Buy-back of shares	-	-	(4,588)	-	(4,588)
Share-based payment under ESS, net	-	39,275	-	-	39,275
ESS shares vested to employees	-	(12,069)	10,534	1,535	-
Dividends paid	-	-	-	(219,696)	(219,696)
Transactions with owners and other equity movements	-	27,206	5,946	(218,161)	(185,009)
<b>At 31.03.2021</b>	<b>5,550,250</b>	<b>67,778</b>	<b>(20,970)</b>	<b>4,461,734</b>	<b>10,058,792</b>
Company	Attributable to Equity Holders of the Company				
	Non-Distributable		Distributable		
	Ordinary share capital RM'000	Executives' share scheme reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
<b>At 01.04.2021</b>	5,550,250	67,778	(20,970)	4,461,734	10,058,792
Profit for the financial year	-	-	-	191,499	191,499
Total comprehensive income for the financial year	-	-	-	191,499	191,499
Issue of ordinary share capital pursuant to:-					
- private placement	822,620	-	-	-	822,620
Buy-back of shares	-	-	(16,812)	-	(16,812)
Share-based payment under ESS, net	-	(2,173)	-	-	(2,173)
ESS shares vested to employees	-	(29,133)	26,741	2,392	-
Transactions with owners and other equity movements	822,620	(31,306)	9,929	2,392	803,635
<b>At 31.03.2022</b>	<b>6,372,870</b>	<b>36,472</b>	<b>(11,041)</b>	<b>4,655,625</b>	<b>11,053,926</b>

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**AMMB HOLDINGS BERHAD**

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**(Incorporated in Malaysia)**

**Condensed Financial Statements**

**AUDITED CONDENSED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

	Group		Company	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation and zakat	1,804,745	(3,483,499)	195,898	339,639
Adjustments for:				
Net accretion of discount for securities	(43,673)	(65,135)	-	-
Allowance for expected credit losses on loans, advances and financing, net	554,563	1,264,849	-	-
Dividend income	(4,206)	(3,689)	(193,058)	(354,260)
Net loss on revaluation of derivatives	5,225	101,411	-	-
Net loss/(gain) on revaluation of financial assets at fair value through profit or loss	41,502	(65,713)	-	-
Net gain on sale of financial investments at fair value through other comprehensive income	(4,814)	(25,507)	-	-
Net loss/(gain) on sale of financial assets at fair value through profit or loss	442	(292,893)	-	-
Impairment loss on investment in associate	4,625	147,819	-	-
Impairment of goodwill	-	1,789,153	-	-
Settlement	-	2,830,000	-	-
Other non-operating and non-cash items	594,676	460,354	(64)	77
Operating profit/(loss) before working capital changes	2,953,085	2,657,150	2,776	(14,544)
<i>(Increase)/Decrease in operating assets:</i>				
Deposits and placements with banks and other financial institutions	(132)	(9,123)	-	-
Financial assets at fair value through profit or loss	2,349,902	3,393,602	(24)	(26)
Loans, advances and financing	(7,896,224)	(6,234,489)	-	-
Statutory deposits with Bank Negara Malaysia	48,754	63,728	-	-
Other assets	(393,088)	489,339	1,821,743	(1,831,567)
Reinsurance assets and other insurance receivables	(146,857)	31,430	-	-
<i>Increase/(Decrease) in operating liabilities:</i>				
Deposits from customers	2,049,664	7,576,475	-	-
Investment accounts of customers	283,026	(113,892)	-	-
Deposits and placements of banks and other financial institutions	(57,800)	74,348	-	-
Securities sold under repurchase agreements	772,546	(5,542,538)	-	-
Recourse obligation on loans and financing sold to Cagamas Berhad	1,100,005	2,134,995	-	-
Term funding	133,723	(740,766)	-	-
Other liabilities	(1,704,389)	(896,729)	(2,342,053)	2,863,246
Insurance contract liabilities and other insurance payables	208,354	(157)	-	-
Cash (used in)/generated from operations	(299,431)	2,883,373	(517,558)	1,017,109
Taxation and zakat paid, net	(234,201)	(320,745)	(3,114)	(212)
Net cash (used in)/generated from operating activities	(533,632)	2,562,628	(520,672)	1,016,897
<i>Cash flows from investing activities</i>				
Purchase of treasury shares	(16,812)	(4,588)	(16,812)	(4,588)
Dividend/Distribution income received	23,812	8,992	193,058	354,260
Subscription of shares in subsidiary	-	-	(450,000)	(780,000)
Proceeds from disposal of property and equipment	358	3,612	-	191
(Purchase)/Disposal of financial investments	(4,502,185)	660,254	-	-
Purchase of property and equipment and intangible assets	(100,434)	(132,123)	-	-
Capital return from subsidiaries liquidated during the year	-	-	140	-
Net cash (used in)/generated from investing activities	(4,595,261)	536,147	(273,614)	(430,137)



**AMMB HOLDINGS BERHAD**  
**Registration No. 199101012723 (223035-V)**  
**(Incorporated in Malaysia)**  
**Condensed Financial Statements**

**AUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022 (CONT'D.)**

	Group		Company	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
<i>Cash flows from financing activities</i>				
Dividends paid by Company to its shareholders	-	(219,696)	-	(219,696)
Repayment of lease liabilities	(85,647)	(90,923)	-	-
Dividends paid to non-controlling interests by subsidiaries	(98,480)	(95,510)	-	-
Return of capital to non-controlling interest	-	(49,000)	-	-
Proceeds from issuance of Subordinated Notes/Sukuk (net)	100,000	550,000	-	-
Proceeds from issuance of shares from private placement (net)	824,683	-	822,620	-
Net cash generated from/(used in) financing activities	<u>740,556</u>	<u>94,871</u>	<u>822,620</u>	<u>(219,696)</u>
Net (decrease)/increase in cash and cash equivalents	(4,388,337)	3,193,646	28,334	367,064
Cash and cash equivalents at beginning of the financial year	18,905,756	15,711,919	689,326	322,262
Effect of exchange rate changes	(555)	191	-	-
Cash and cash equivalents at end of the financial year	<u>14,516,864</u>	<u>18,905,756</u>	<u>717,660</u>	<u>689,326</u>

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:

	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Cash and short-term funds	13,221,099	18,809,478	717,660	689,326
Deposits and placements with banks and other financial institutions (with original maturity of three months and less)	<u>1,301,449</u>	<u>103,028</u>	<u>-</u>	<u>-</u>
	14,522,548	18,912,506	717,660	689,326
Less: Deposits with original maturity of more than three months	<u>(9,254)</u>	<u>(9,123)</u>	<u>-</u>	<u>-</u>
	14,513,294	18,903,383	717,660	689,326
Add:				
Allowances for expected credit loss ("ECL") for cash and cash equivalents	<u>3,570</u>	<u>2,373</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents	<u>14,516,864</u>	<u>18,905,756</u>	<u>717,660</u>	<u>689,326</u>

The audited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 March 2021.

## EXPLANATORY NOTES :

### 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 paragraph 9.22 of the Listing Requirements of Bursa Malaysia. These financial statements also comply with 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 Company for the financial year ended 31 March 2021 which are available upon request from the Company's registered office at Level 22, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur.

The condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group.

#### A1.1 Significant Accounting Policies

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

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

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

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

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

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

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

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

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

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

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

#### Standards issued but not yet effective

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

The nature of the new standard and amendments to published standards that are issued but not yet effective are described below. The Group and the Company are currently assessing the financial effects of their adoption.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### (b) New standard and amendments to published standards effective for financial year ending 31 March 2024

##### MFRS 17 *Insurance Contracts*, Amendments to MFRS 17, and Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17)

MFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure which supersedes MFRS 4 *Insurance Contracts*.

MFRS 17 requires a general measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted fulfilment cash flows, a risk adjustment and a contractual service margin ("CSM") representing the unearned profit of the contract. A simplified premium allocation approach is permitted for the liability for the remaining coverage if it provides a measurement that is not materially different from the general model or if the coverage period is one year or less. However, claims incurred will need to be measured based on the building blocks of discounted, risk-adjusted, probability weighted cash flows.

For insurance contracts with direct participation features, the CSM is measured using the variable fee approach to deduct a variable fee comprising the Group's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns of the underlying items.

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

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

#### (b) New standard and amendments to published standards effective for financial year ending 31 March 2024 (Cont'd.)

##### **MFRS 17 Insurance Contracts, Amendments to MFRS 17, and Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17) (Cont'd.)**

Changes in cash flows related to future services should be recognised against the CSM. The CSM cannot be negative, so changes in future cash flows that are greater than the remaining CSM are recognised in profit or loss. Interest is accreted on the CSM at rates locked in at initial recognition of a contract. To reflect the service provided, the CSM is released to profit or loss in each period on the basis of passage of time. Entities have an accounting policy choice to recognise the impact of changes in discount rates and other assumptions that relate to financial risks either in profit or loss or in other comprehensive income.

MFRS 17 is effective for reporting periods beginning on or after 1 January 2023. Early application is permitted, provided MFRS 9 is also applied. A full retrospective application is required; an entity is permitted to choose between a modified retrospective approach and the fair value approach if full retrospective application is impracticable. An entity that first applies MFRS 17 and MFRS 9 at the same time is also permitted to apply a classification overlay on the comparative information about a financial asset as if the classification and measurement requirements of MFRS 9 had been applied to that financial asset before to overcome potential accounting mismatches.

The Group plans to adopt MFRS 17 on the required effective date and a Project Steering Committee has been formed to oversee the implementation of MFRS 17. The Group expects that MFRS 17 will result in an important change to the accounting policies for insurance contract liabilities of the Group and is likely to have a significant impact on profit and total equity of its Insurance business segment.

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

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

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

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

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

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

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

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

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

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

#### (b) New standard and amendments to published standards effective for financial year ending 31 March 2024 (Cont'd.)

##### Definition of Accounting Estimates (Amendments to MFRS 108) (Cont'd.)

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

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

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

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

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

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

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

The amendments clarify that:

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

### A1.2 Significant Changes in Regulatory Requirements

#### Additional Measures from Bank Negara Malaysia ("BNM") to Assist Borrowers/Customers Affected by the COVID-19 Pandemic

During the current financial year, BNM had announced the extension of additional relief measures to assist borrowers/customers affected by COVID-19 pandemic in line with the Government economic stimulus package. The additional relief measures include the following:

#### (i) The Supplementary Strategic Programme to Empower the People and Economy (Program Strategik Memperkasa Rakyat dan Ekonomi Tambahan "PEMERKASA Plus")

The targeted repayment assistance initiative under PEMERKASA Plus financial aid package were announced by the Government on 31 May 2021. The package is focused to borrowers/customers who have experienced loss of employment, B40 who are recipients of the Bantuan Sara Hidup ("BSH") or Bantuan Prihatin Rakyat ("BPR") and any microenterprise (with approved loan/financing facilities of less than RM150,000) as well as small and medium-sized enterprises ("SMEs") and microenterprises that are not allowed to operate during the Movement Control Order ("MCO") (locked-down sectors), with the choice of a payment deferment for 3-months or a reduction of monthly instalments by 50% for a period of 6-months. In addition, all individual loan/financing customers who have suffered a reduction in income will be offered a lower monthly instalment payment plan, which corresponds with the reduction in their income.

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

### A1.2 Significant Changes in Regulatory Requirements (Cont'd.)

#### **Additional Measures from Bank Negara Malaysia ("BNM") to Assist Borrowers/Customers Affected by the COVID-19 Pandemic (Cont'd.)**

During the current financial year, BNM had announced the extension of additional relief measures to assist borrowers/customers affected by COVID-19 pandemic in line with the Government economic stimulus package. The additional relief measures include the following: (cont'd.)

#### **(ii) National People's Well-Being and Economic Recovery Package (Perlindungan Rakyat and Pemulihan Ekonomi "PEMULIH")**

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

#### **(iii) Financial Management and Resilience Programme (Program Pengurusan dan Ketahanan Kewangan "URUS")**

Further to announcement made by BNM and banking industry (represented collectively by The Association of Banks in Malaysia ("ABM"), Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM") and Association of Development Finance Institutions of Malaysia ("ADFIM")) on 14 October 2021, the Group had offered the URUS for eligible individual customers of the following criteria:

- (a) from B50 income segment (customers with gross household income of RM5,880 or lower, based on the definition by the Department of Statistics of Malaysia;
- (b) experienced either loss of employment or reduction of income at least 50%;
- (c) under an existing repayment assistance programme (e.g. Targeted Repayment Assistance, PEMERKASA Plus, PEMULIH, the Group's own rescheduling and restructuring) as at 30 September 2021; and
- (d) whose loan/financing is still performing (not in arrears exceeding 90 days) as at the date of application by customer.

Under URUS, Agensi Kaunseling dan Pengurusan Kredit ("AKPK") provides the customer with a personalised financial plan that is developed holistically, taking into account the customer's financial circumstances and ability to afford repayment of all financing obligations.

The repayment assistance does not automatically result in a stage transfer under MFRS 9 in the absence of other factors indication evidence of significant increase in credit risk ("SICR"). Judgement and more holistic assessment of all relevant indicators and information, such as historical repayment and delinquency trend pre-COVID-19 pandemic, are applied in determining SICR. In addition, the loan/financing that is approved under repayment assistance is exempted to be reported as rescheduling and restructuring ("R&R") in the Central Credit Reference Information System ("CCRIS"). Nevertheless, the Group is required to report the credit-impaired status consistently with the accounting classification.

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

- (i) On 13 December 2021, the Dewan Rakyat has passed the Supply Bill ("Budget for 2022") which includes one-off tax of Cukai Makmur for Year Assessment ("YA") 2022 of which corporate income tax rate of 33% will be imposed to entities with taxable income more than RM100 million in YA 2022. The impact to the Group for the financial year ended 31 March 2022 is RM105.7 million.
- (ii) In the current financial year, based on legal opinion received, AmBank and AmInvestment Bank claimed tax deduction on the settlement of RM2.83 billion with Ministry of Finance Malaysia and its related expenses of RM21.0 million in their tax returns for the Year Assessment ("YA") 2021. Accordingly, AmBank and AmInvestment Bank recognised a portion of tax deduction amounting to RM220.5 million and RM14.1 million respectively as tax recoverable while the unutilised tax loss arose from the remaining tax deduction will be reassessed throughout the discussion between the Group and Inland Revenue Board.

## A2. AUDIT QUALIFICATION

There was no audit qualification in the annual financial statements for the financial year ended 31 March 2021.

## A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

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

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

## A5. CHANGES IN ESTIMATES

There was no material change in estimates of amounts reported in the prior financial years that have a material effect for the financial quarter and year ended 31 March 2022.

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

### (i) Issuance of shares by the Company

On 1 April 2021, the Company announced its intention to undertake a private placement of up to 300 million new ordinary shares in the Company, representing approximately 9.97% of the Company's existing issued ordinary share capital (excluding treasury shares), in accordance with the general mandate obtained pursuant to Sections 75 and 76 of the Companies Act 2016 from the shareholders of the Company at its 29th Annual General Meeting held on 27 August 2020. This action was intended to accelerate the Common Equity Tier 1 ("CET1") capital build post settlement with Ministry of Finance ("MOF") Malaysia.

On 14 April 2021, the Company announced the completion of the private placement with issuance of 300 million shares at RM2.75 per share. The total share capital raised amounted to RM825.0 million.

The total proceeds from the private placement of RM825.0 million and the status of utilisation is as follows:

<b>Purpose</b>	<b>Proposed utilisation RM'000</b>	<b>Actual utilisation RM'000</b>
Working capital purposes including injection of capital into the Group's operating subsidiaries*	821,000	822,620
Expenses for the private placement **	4,000	2,380
<b>Total</b>	<b>825,000</b>	<b>825,000</b>

\* The proceeds from the private placement was utilised to fund a capital injection of RM450.0 million into AmBank (M) Berhad ("AmBank") with the balance utilised to restore the working capital of the Company after the Company had prior to the private placement injected capital into its operating subsidiaries.

\*\* The unutilised balance of RM1.62 million from the expenses estimated at RM4.0 million has been re-allocated to the working capital purposes of the Company.

### (ii) Issuance of shares by a subsidiary

On 31 May 2021, AmBank increased its issued and paid-up ordinary share capital by RM450.0 million by way of issuance of 46,680,498 new ordinary shares at an issue price of RM9.64 per ordinary share.

### (iii) Share buy-back

During the current financial year, the Company bought back from the open market, a total of 5,330,700 ordinary shares listed on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of RM3.15 per share. The total consideration paid for the share buy-back including transaction costs was approximately RM16.8 million and was financed by internally generated funds. The shares bought back are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016.



## A6. ISSUANCE, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES (CONT'D.)

### (iv) Issuance of debt securities

- (1) On 30 December 2021, AmBank issued Tranche 8 - Series 1 and Series 2 of Senior Notes with total nominal value of RM150.0 million and RM250.0 million respectively under its Senior Notes programme of RM7.0 billion. Tranche 8 - Series 1 bears interest rate at 2.94% per annum payable semi-annually with a tenure of 1.5 years and Tranche 8 - Series 2 bears interest at 3.14% per annum payable semi-annually with a tenure of 2 years.
- (2) On 8 March 2022, AmBank issued Tranche 8 with nominal value of RM600.0 million under its RM4.0 billion Subordinated Notes Issuance Programme. The interest rate of this tranche is at 4.30% per annum payable semi-annually with a tenure of 10 years (callable in 5th years).
- (3) On 8 March 2022, AmBank Islamic issued Tranche 9 with nominal value of RM250.0 million under its RM3.0 billion Subordinated Sukuk Murabahah ("Sukuk Murabahah") programme. The profit rate of this tranche is at 4.25% per annum payable semi-annually with a tenure of 10 years (non-callable 5 years).

### (v) Redemption of debt securities

- (1) AmBank Islamic redeemed the following tranches of its Sukuk Murabahah of RM3.0 billion in nominal value:
  - (i) Tranche 4 with nominal value of RM10.0 million on its first call date of 30 December 2021; and
  - (ii) Tranche 5 with nominal value of RM240.0 million on its first call date of 15 March 2022.
- (2) On its first call date of 15 March 2022, AmBank fully redeemed Tranche 2 of Subordinated Notes with nominal amount of RM500.0 million issued under its Subordinated Notes Programme of RM4.0 billion.
- (3) AmBank Islamic redeemed Tranche 5 of RM3.0 billion Senior Islamic securities issuance programme ("Senior Sukuk") upon maturity with nominal value amounting to RM200.0 million.

Other than as disclosed above, there were no issuance of debt and equity securities, repayment of debt securities, new shares issuance, share buy-backs, share cancellations nor resale of treasury shares by the Group and the Company during the financial quarter and year.

## A7. DIVIDENDS

- (i) A proposed final cash dividend of 5.0 sen per share for the financial year ended 31 March 2022 has been recommended by the directors.
- (ii) No dividends were paid in the current financial quarter and year.

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

	Group		Company	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Cash and balances with banks and other financial institutions	1,502,255	1,980,207	717,660	689,326
Deposit and placements maturing within one month:				
Licensed banks	3,234,599	3,107,446	-	-
Bank Negara Malaysia	8,191,800	13,530,000	-	-
Other financial institutions	294,690	194,156	-	-
	11,721,089	16,831,602	-	-
	13,223,344	18,811,809	717,660	689,326
Less: Allowances for ECL	(2,245)	(2,331)	-	-
	13,221,099	18,809,478	717,660	689,326

Movements in allowances for ECL are as follows:

Group 31.03.2022	Stage 1	Stage 2	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	
Balance at beginning of the financial year	2,310	21	2,331
Net (writeback of)/allowances for ECL	(60)	-	(60)
Transfer from deposits and placements with banks and other financial institutions (Note A9)	3,325	-	3,325
New financial assets originated	22,795	4	22,799
Financial assets derecognised	(26,374)	(2)	(26,376)
Net remeasurement of allowances	194	(2)	192
Foreign exchange differences	(25)	(1)	(26)
Balance at end of the financial year	2,225	20	2,245

Group 31.03.2021	Stage 1	Stage 2	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	
Balance at beginning of the financial year	833	28	861
Net allowances for/(writeback of) ECL	1,500	(7)	1,493
Transfer from deposits and placements with banks and other financial institutions (Note A9)	4,598	-	4,598
New financial assets originated	763	-	763
Financial assets derecognised	(3,236)	-	(3,236)
Changes in model assumptions and methodologies	(71)	-	(71)
Net remeasurement of allowances	(554)	(7)	(561)
Foreign exchange differences	(23)	-	(23)
Balance at end of the financial year	2,310	21	2,331

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits and placements maturity more than one month:		
Licensed banks	1,302,774	103,070
Less: Allowances for ECL	<u>(1,325)</u>	<u>(42)</u>
	<u>1,301,449</u>	<u>103,028</u>

**Movements in allowances for ECL are as follows:**

<b>Group</b>	<b>Stage 1</b>
<b>31.03.2022</b>	<b>12-month</b>
	<b>ECL</b>
	<b>RM'000</b>
Balance at beginning of the financial year	42
Net allowance for ECL	1,283
Transfer to cash and short-term funds (Note A8)	<u>(3,325)</u>
Net remeasurement of allowances	35
New financial assets originated	<u>4,573</u>
Balance at end of the financial year	<u>1,325</u>

<b>Group</b>	<b>Stage 1</b>
<b>31.03.2021</b>	<b>12-month</b>
	<b>ECL</b>
	<b>RM'000</b>
Balance at beginning of the financial year	485
Net writeback of ECL	(443)
Transfer to cash and short-term funds (Note A8)	<u>(4,598)</u>
New financial assets originated	4,526
Net remeasurement of allowances	4
Changes in model assumptions and methodologies	<u>(375)</u>
Balance at end of the financial year	<u>42</u>

**A10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	Group		Company	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
<b>At Fair Value</b>				
<b>Money Market Instruments:</b>				
Malaysian Treasury Bills	100,625	555,998	-	-
Malaysian Islamic Treasury Bills	1,313,273	2,544,432	-	-
Malaysian Government Securities	258,277	223,501	-	-
Malaysian Government Investment Issues	401,406	707,527	-	-
Cagamas bonds	99,460	84,891	-	-
	<u>2,173,041</u>	<u>4,116,349</u>	<u>-</u>	<u>-</u>
<b>Quoted Securities:</b>				
In Malaysia:				
Shares	643,145	541,084	-	-
Unit trusts	178,219	196,896	1,128	1,104
Corporate bonds and sukuk	13,315	37,538	-	-
Outside Malaysia:				
Shares	481,104	542,202	-	-
	<u>1,315,783</u>	<u>1,317,720</u>	<u>1,128</u>	<u>1,104</u>
<b>Unquoted Securities:</b>				
In Malaysia:				
Shares	31	34	-	-
Corporate bonds and sukuk	3,727,705	4,127,871	-	-
	<u>3,727,736</u>	<u>4,127,905</u>	<u>-</u>	<u>-</u>
Total	<u>7,216,560</u>	<u>9,561,974</u>	<u>1,128</u>	<u>1,104</u>

**A11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	Group	
	31.03.2022 RM'000	31.03.2021 RM'000
<b>At Fair Value</b>		
<b>Money Market Instruments:</b>		
Malaysian Government Securities	3,099,232	3,360,666
Malaysian Government Investment Issues	4,356,026	3,777,222
Negotiable Instruments of Deposit	450,001	50,031
Islamic Negotiable Instruments of Deposit	579,298	399,386
Foreign Government Securities	13,619	74,044
	<u>8,498,176</u>	<u>7,661,349</u>
<b>Unquoted Securities:</b>		
In Malaysia:		
Shares	674,456	686,262
Corporate bonds and sukuk	9,573,069	9,391,913
Outside Malaysia:		
Shares	633	530
Corporate bonds and sukuk	10,423	46,144
	<u>10,258,581</u>	<u>10,124,849</u>
<b>Total</b>	<u>18,756,757</u>	<u>17,786,198</u>

**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	Total RM'000
Balance at beginning of the financial year	11,224	6,847	18,071
Net (writeback of)/allowances for ECL	(732)	2,995	2,263
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(893)	3,602	2,709
New financial assets originated	4,809	-	4,809
Financial assets derecognised	(4,010)	(607)	(4,617)
Net remeasurement of allowances	(638)	-	(638)
Foreign exchange differences	2	-	2
Balance at end of the financial year	<u>10,494</u>	<u>9,842</u>	<u>20,336</u>

**A11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D.)**

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

<b>Group</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Total</b>
<b>31.03.2021</b>	<b>12-month</b>	<b>Lifetime</b>	
	<b>ECL</b>	<b>ECL</b>	<b></b>
	<b>RM'000</b>	<b>not credit</b>	<b>RM'000</b>
		<b>impaired</b>	
		<b>RM'000</b>	<b>RM'000</b>
Balance at beginning of the financial year	16,020	16,449	32,469
Net writeback of ECL	(4,790)	(9,602)	(14,392)
- Transfer to 12-month ECL (Stage 1)	150	(557)	(407)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(11)	19	8
New financial assets originated	4,877	-	4,877
Financial assets derecognised	(5,500)	(4,049)	(9,549)
Net remeasurement of allowances	(60)	(2,599)	(2,659)
Changes in model assumptions and methodologies	(4,246)	(2,416)	(6,662)
Foreign exchange differences	(6)	-	(6)
Balance at end of the financial year	<u>11,224</u>	<u>6,847</u>	<u>18,071</u>

## A12. FINANCIAL INVESTMENTS AT AMORTISED COST

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
<b>At Amortised Cost</b>		
<b>Money Market Instruments:</b>		
Malaysian Government Securities	907,429	-
Malaysian Government Investment Issues	2,261,515	402,577
	3,168,944	402,577
<b>Unquoted Securities:</b>		
In Malaysia:		
Corporate Bonds and sukuk	6,352,046	5,856,144
	9,520,990	6,258,721
Less: Allowances for ECL	(483,224)	(215,247)
Total	9,037,766	6,043,474

### 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
Balance at beginning of the financial year	3,916	211,331	-	215,247
Net allowances for/(writeback of) ECL	581	(211,331)	478,727	267,977
- Transfer to 12-month ECL (Stage 1)	591	(8,549)	-	(7,958)
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	(10,788)	478,727	467,939
New financial assets originated	385	-	-	385
Net remeasurement of allowances	(379)	-	-	(379)
Financial assets derecognised	(16)	-	-	(16)
Changes in model assumptions and methodologies	-	(191,994)	-	(191,994)
Balance at end of the financial year	4,497	-	478,727	483,224

Group	Stage 1 12-month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
Balance at beginning of the financial year			
- as previously stated		4,914	4,914
- reclassification from loans, advances and financing (Note A13(i))		716	716
Balance at beginning of the financial year, as restated	5,630	-	5,630
Net (writeback of)/allowances for ECL	(1,714)	211,331	209,617
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(1,688)	8,549	6,861
New financial assets originated	999	10,788	11,787
Net remeasurement of allowances	387	-	387
Financial assets derecognised	(180)	-	(180)
Changes in model assumptions and methodologies	(1,232)	191,994	190,762
Balance at end of the financial year	3,916	211,331	215,247

**A13. LOANS, ADVANCES AND FINANCING**

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
<b>At Amortised Cost:</b>		
Loans, advances and financing:		
Term loans/financing	38,801,821	35,573,645
Revolving credit	11,370,620	10,902,951
Housing loans/financing	39,031,362	36,326,944
Hire purchase receivables	13,854,097	14,389,969
Card receivables	1,903,171	1,923,253
Overdraft	3,222,656	3,342,952
Claims on customers under acceptance credits	6,485,259	5,762,288
Trust receipts	2,577,510	2,116,982
Bills receivables	2,473,103	1,948,440
Staff loans	106,105	107,912
Others	167,557	296,939
Gross loans, advances and financing	<u>119,993,261</u>	<u>112,692,275</u>
Less: Allowances for ECL		
- Stage 1 - 12-month ECL	(217,884)	(431,800)
- Stage 2 - Lifetime ECL not credit impaired	(1,159,616)	(1,109,340)
- Stage 3 - Lifetime ECL credit impaired	(550,076)	(534,631)
	<u>(1,927,576)</u>	<u>(2,075,771)</u>
Net loans, advances and financing	<u>118,065,685</u>	<u>110,616,504</u>

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

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
Domestic non-bank financial institutions	3,133,599	2,054,636
Domestic business enterprises:		
- Small and medium enterprises	24,919,016	22,818,626
- Others	25,613,034	25,112,117
Government and statutory bodies	163,603	347,837
Individuals	64,535,980	61,019,803
Other domestic entities	7,647	9,363
Foreign individuals and entities	1,620,382	1,329,893
	<u>119,993,261</u>	<u>112,692,275</u>



**A13. LOANS, ADVANCES AND FINANCING (CONT'D.)**

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

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
In Malaysia	119,099,088	112,033,617
Outside Malaysia	894,173	658,658
	<u>119,993,261</u>	<u>112,692,275</u>

(c) Gross loans, advances and financing analysed by interest rate/rate of return sensitivity are as follows:

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
Fixed rate:		
- Housing loans/financing	314,482	296,835
- Hire purchase receivables	13,355,884	13,803,709
- Other loans/financing	10,907,556	10,025,216
Variable rate:		
- Base rate and lending/financing rate plus	65,265,205	61,398,823
- Cost plus	28,898,958	26,270,754
- Other variable rates	1,251,176	896,938
	<u>119,993,261</u>	<u>112,692,275</u>

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

	Group	
	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000
Agriculture	2,374,086	2,563,492
Mining and quarrying	2,130,214	2,359,557
Manufacturing	15,902,661	14,647,484
Electricity, gas and water	1,182,630	1,216,489
Construction	4,352,593	4,716,911
Wholesale and retail trade and hotels and restaurants	10,534,493	8,961,747
Transport, storage and communication	4,842,904	3,459,570
Finance and insurance	3,266,845	2,246,635
Real estate	6,616,194	7,429,403
Business activities	2,258,944	2,427,283
Education and health	1,409,736	1,022,470
Household of which:	65,096,931	61,615,459
Purchase of residential properties	39,390,816	36,627,886
Purchase of transport vehicles	12,575,408	13,076,102
Others	13,130,707	11,911,471
Others	25,030	25,775
	<u>119,993,261</u>	<u>112,692,275</u>

**A13. LOANS, ADVANCES AND FINANCING (CONT'D.)**

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>(Restated) RM'000</b>
Maturing within one year	30,390,452	28,972,749
Over one year to three years	6,830,043	6,555,743
Over three years to five years	11,611,293	10,552,185
Over five years	71,161,473	66,611,598
	<u>119,993,261</u>	<u>112,692,275</u>

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Gross</b>		
Balance at beginning of the financial year	1,770,320	1,852,633
Additions during the financial year	1,357,323	990,213
Reclassified as non-impaired	(205,843)	(146,545)
Recoveries	(542,645)	(468,049)
Amount written off	(702,792)	(454,469)
Foreign exchange differences	(319)	(3,463)
Balance at end of the financial year	<u>1,676,044</u>	<u>1,770,320</u>
Gross impaired loans, advances and financing as % of gross loans, advances and financing	<u>1.40%</u>	<u>1.57%</u>
Loan loss coverage (including regulatory reserve)	<u>139.24%</u>	<u>124.06%</u>

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
In Malaysia	1,666,873	1,739,359
Outside Malaysia	9,171	30,961
	<u>1,676,044</u>	<u>1,770,320</u>

**A13. LOANS, ADVANCES AND FINANCING (CONT'D.)**

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

	Group	
	31.03.2022 RM'000	31.03.2021 RM'000
Agriculture	8,834	79,621
Mining and quarrying	175,741	37,955
Manufacturing	226,687	194,000
Electricity, gas and water	4,639	3,521
Construction	112,676	92,315
Wholesale and retail trade and hotels and restaurants	170,049	202,228
Transport, storage and communication	18,518	59,268
Finance and insurance	1,494	1,325
Real estate	188,167	312,785
Business activities	37,595	41,736
Education and health	6,218	6,548
Household of which:	725,426	739,018
Purchase of residential properties	540,323	530,993
Purchase of transport vehicles	80,127	67,717
Others	104,976	140,308
	<u>1,676,044</u>	<u>1,770,320</u>

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

Group 31.03.2022	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
	Balance at beginning of the financial year	431,800	1,109,340	534,631
Net (writeback of)/allowances for ECL	(214,035)	50,259	718,339	554,563
- Transfer to 12-month ECL (Stage 1)	10,638	(116,234)	(4,209)	(109,805)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(20,546)	165,613	(24,785)	120,282
- Transfer to Lifetime ECL credit impaired (Stage 3)	(1,304)	(37,541)	99,054	60,209
New financial assets originated	56,300	71,735	5,707	133,742
Net remeasurement of allowances	(55,790)	24,165	741,532	709,907
Modification of contractual cash flows of financial assets	(1,750)	4,847	83	3,180
Financial assets derecognised	(39,585)	(72,934)	(99,043)	(211,562)
Changes in model assumptions and methodologies	(161,998)	10,608	-	(151,390)
Foreign exchange differences	119	17	(102)	34
Amount written off	-	-	(702,792)	(702,792)
Balance at end of the financial year	<u>217,884</u>	<u>1,159,616</u>	<u>550,076</u>	<u>1,927,576</u>

**A13. LOANS, ADVANCES AND FINANCING (CONT'D.)**

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

<b>Group</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>31.03.2021 (Restated)</b>	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	<b>RM'000</b>
	<b>ECL</b>	<b>not credit</b>	<b>credit</b>	
	<b>RM'000</b>	<b>impaired</b>	<b>impaired</b>	<b>RM'000</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance at beginning of the financial year				
- as previously stated	283,434	539,633	444,613	1,267,680
- reclassification to financial investments at amortised cost (Note A12)	(716)	-	-	(716)
Balance at beginning of the financial year, as restated	282,718	539,633	444,613	1,266,964
Net allowances for ECL	149,267	569,804	545,778	1,264,849
- Transfer to 12-month ECL (Stage 1)	13,103	(74,841)	(2,407)	(64,145)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(32,749)	231,499	(19,028)	179,722
- Transfer to Lifetime ECL credit impaired (Stage 3)	(1,464)	(23,871)	202,720	177,385
New financial assets originated	64,081	160,462	11,381	235,924
Net remeasurement of allowances	44,402	181,040	458,735	684,177
Modification of contractual cash flows of financial assets	412	2,763	(4,425)	(1,250)
Financial assets derecognised	(39,672)	(57,680)	(100,862)	(198,214)
Changes in model assumptions and methodologies	101,154	150,432	(336)	251,250
Foreign exchange differences	(185)	(97)	(1,291)	(1,573)
Amount written off	-	-	(454,469)	(454,469)
Balance at end of the financial year	431,800	1,109,340	534,631	2,075,771

#### A14. OTHER ASSETS

	Group		Company	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Trade receivables	432,591	550,395	-	-
Other receivables, deposits and prepayments	954,512	758,423	11,615	1,833,358
Interest/Profit receivable	456,844	391,685	-	-
Fee receivable	18,229	19,527	-	-
Amount due from agents, brokers and reinsurers	412,153	55,689	-	-
Foreclosed properties	2,634	2,615	-	-
Tax recoverable	168,371	128,289	-	-
Collateral pledged for derivative and securities transactions	446,809	552,339	-	-
	<u>2,892,143</u>	<u>2,458,962</u>	<u>11,615</u>	<u>1,833,358</u>
Less: Accumulated impairment losses	(6,824)	(6,761)	-	-
	<u>2,885,319</u>	<u>2,452,201</u>	<u>11,615</u>	<u>1,833,358</u>

#### A15. REINSURANCE ASSETS AND OTHER INSURANCE RECEIVABLES

	Note	Group	
		31.03.2022 RM'000	31.03.2021 RM'000
Reinsurance assets from general insurance business	(i)	518,225	379,792
Other insurance receivables	(ii)	62,480	52,892
		<u>580,705</u>	<u>432,684</u>
(i) Movements in allowances for impairment are as follows:			
Balance at beginning of the financial year		2,075	2,260
Writeback for the financial year		(1,149)	(185)
Balance at end of the financial year		<u>926</u>	<u>2,075</u>
(ii) Other insurance receivables			
Due premiums including agents/brokers and co-insurers' balances		71,041	65,737
Amount owing by reinsurance and cedants		9,639	5,887
Accumulated impairment losses		(18,200)	(18,732)
		<u>62,480</u>	<u>52,892</u>
Movements in allowances for impairment are as follows:			
Balance at beginning of the financial year		18,732	24,755
Writeback for the financial year		(532)	(6,023)
Balance at end of the financial year		<u>18,200</u>	<u>18,732</u>

**A16. DEPOSITS FROM CUSTOMERS**

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Demand deposits	33,709,677	28,095,907
Savings deposits	9,397,684	7,662,383
Term/Investment deposits	79,485,489	84,784,896
	<u>122,592,850</u>	<u>120,543,186</u>

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within six months	62,120,020	70,498,403
Six months to one year	15,645,790	12,822,494
Over one year to three years	1,540,070	1,361,269
Over three years to five years	179,609	102,730
	<u>79,485,489</u>	<u>84,784,896</u>

The deposits are sourced from the following types of customers:

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Government and statutory bodies	4,730,100	5,574,666
Business enterprises	61,314,620	65,674,964
Individuals	45,921,495	40,855,153
Others	10,626,635	8,438,403
	<u>122,592,850</u>	<u>120,543,186</u>

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

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	5,571,352	6,065,550
Licensed investment banks	651,726	550,534
Bank Negara Malaysia	1,270,123	1,046,960
Other financial institutions	2,401,384	2,257,843
	<u>9,894,585</u>	<u>9,920,887</u>

**A18. OTHER LIABILITIES**

	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Trade payables	761,368	438,644	-	-
Other payables and accruals	1,543,486	1,307,554	17,537	42,134
Interest payable on deposits and borrowings	561,674	612,771	-	-
Lease deposits and advance rental	47,830	45,751	-	-
Provision for commitments and contingencies	3,546	10,239	-	-
Allowances for ECL on loan commitments and financial guarantees	303,197	120,510	-	-
Lease liabilities	191,465	273,471	-	-
Provision for reinstatement of leased properties	9,706	8,989	-	-
Amount due to subsidiaries	-	-	-	283
Settlement payable	515,000	2,830,000	515,000	2,830,000
Provision for taxation	61,532	23,790	1,290	5
Collateral received for derivative and securities transactions	229,098	145,035	-	-
Deferred income	74,960	74,977	-	-
	<u>4,302,862</u>	<u>5,891,731</u>	<u>533,827</u>	<u>2,872,422</u>

Movements in allowances for ECL on loan/financing commitments and financial guarantees are as follows:

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
31.03.2022	RM'000	RM'000	RM'000	RM'000
Balance at beginning of the financial year	30,429	37,348	52,733	120,510
Net (writeback of)/allowances for ECL	(1,516)	(11,011)	195,208	182,681
- Transfer to 12-month ECL (Stage 1)	778	(8,874)	-	(8,096)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(1,709)	7,344	-	5,635
- Transfer to Lifetime ECL credit impaired (Stage 3)	(59)	(478)	190,455	189,918
New exposures originated	12,352	11,466	5,780	29,598
Net remeasurement of allowances	(3,837)	(6,337)	(1,019)	(11,193)
Exposures derecognised	(9,041)	(14,132)	(8)	(23,181)
Foreign exchange differences	13	(7)	-	6
Balance at the end of the financial year	<u>28,926</u>	<u>26,330</u>	<u>247,941</u>	<u>303,197</u>

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

Movements in allowances for ECL on loan/financing commitments and financial guarantees are as follows: (Cont'd.)

Group 31.03.2021	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
Balance at beginning of the financial year	42,503	32,519	181	75,203
Net (writeback of)/allowances for ECL	(12,033)	4,888	52,552	45,407
- Transfer to 12-month ECL (Stage 1)	1,402	(8,890)	-	(7,488)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(1,705)	7,206	-	5,501
- Transfer to Lifetime ECL credit impaired (Stage 3)	(92)	(453)	52,422	51,877
New exposures originated	13,054	16,284	8	29,346
Net remeasurement of allowances	(1,528)	3,934	122	2,528
Exposures derecognised	(11,721)	(7,629)	-	(19,350)
Changes in model assumptions and methodologies	(11,443)	(5,564)	-	(17,007)
Foreign exchange differences	(41)	(59)	-	(100)
Balance at the end of the financial year	30,429	37,348	52,733	120,510

#### A19. INSURANCE CONTRACT LIABILITIES AND OTHER INSURANCE PAYABLES

Group	Note	31.03.2022 RM'000	31.03.2021 RM'000
Insurance contract liabilities	(i)	2,625,284	2,422,975
Other insurance payables	(ii)	62,077	56,032
		<u>2,687,361</u>	<u>2,479,007</u>
(i) Insurance contract liabilities			
		<b>31.03.2022</b>	<b>31.03.2021</b>
		<b>Gross contract liabilities RM'000</b>	<b>Net contract liabilities RM'000</b>
General insurance business		<u>2,625,284</u>	<u>(518,225)</u>
		<b>Reinsurance assets RM'000</b>	<b>Reinsurance assets RM'000</b>
			<u>2,107,059</u>
		<b>31.03.2021</b>	<b>31.03.2021</b>
		<b>Gross contract liabilities RM'000</b>	<b>Net contract liabilities RM'000</b>
General insurance business		<u>2,422,975</u>	<u>(379,792)</u>
		<b>Reinsurance assets RM'000</b>	<b>Reinsurance assets RM'000</b>
			<u>2,043,183</u>
(ii) Other insurance payables			
		<b>31.03.2022</b>	<b>31.03.2021</b>
		<b>RM'000</b>	<b>RM'000</b>
Amount due to agents and intermediaries		19,136	21,812
Amount due to reinsurers and cedants		42,941	34,220
		<u>62,077</u>	<u>56,032</u>



## A20. INTEREST INCOME

	Individual Quarter		Cumulative Quarter	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
Short-term funds and deposits and placements with banks and other financial institutions	26,502	17,155	76,744	65,547
Financial assets at fair value through profit or loss	47,413	42,435	201,262	257,714
Financial investments at fair value through other comprehensive income	109,087	107,198	450,094	467,456
Financial investments at amortised cost	57,948	40,032	186,668	152,631
Loans and advances*	774,421	799,145	3,133,346	3,195,130
Impaired loans and advances	752	588	2,796	4,287
Others	6,197	2,636	15,703	13,015
	<u>1,022,320</u>	<u>1,009,189</u>	<u>4,066,613</u>	<u>4,155,780</u>
<b>Company</b>				
Short-term funds and deposits and placements with banks and other financial institutions	<u>2,754</u>	<u>2,211</u>	<u>19,327</u>	<u>6,550</u>

\* Included in the interest income of loans and advances of the Group is the net gain of RM28.4 million (31.03.2021: net loss of RM50.3 million) arising from government support measures implemented in response to COVID-19 pandemic.

## A21. INTEREST EXPENSE

	Individual Quarter		Cumulative Quarter	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
Deposits from customers	336,069	331,417	1,295,569	1,605,199
Deposits and placements of banks and other financial institutions	19,297	20,300	82,632	91,922
Senior notes	3,023	-	3,090	7,422
Credit-Linked Notes	-	1,914	3,673	7,719
Securities sold under repurchase agreements	7,324	7,483	22,515	42,665
Recourse obligation on loans sold to Cagamas Berhad	53,448	38,360	203,717	145,548
Term loan	1,098	1,112	3,836	5,183
Debt Capital	36,956	32,440	148,393	131,008
Other structured products and others	(282)	3,436	6,817	27,207
	<u>456,933</u>	<u>436,462</u>	<u>1,770,242</u>	<u>2,063,873</u>

**A22. NET INCOME FROM INSURANCE BUSINESS**

Group	Note	Individual Quarter		Cumulative Quarter	
		31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Income from insurance business:	(a)				
Premium income from general insurance business		325,666	336,681	1,334,847	1,398,558
		<u>325,666</u>	<u>336,681</u>	<u>1,334,847</u>	<u>1,398,558</u>
Insurance claims and commissions:	(b)				
Insurance commission <sup>1</sup>		31,416	26,332	131,020	127,210
General insurance claims		171,556	172,888	727,260	777,035
		<u>202,972</u>	<u>199,220</u>	<u>858,280</u>	<u>904,245</u>
Total income from insurance business, net		<u>122,694</u>	<u>137,461</u>	<u>476,567</u>	<u>494,313</u>
(a) Income from insurance business					
Gross Premium					
- insurance contract		392,858	369,746	1,518,013	1,559,472
- change in unearned premium provision		(24,219)	12,505	(11,323)	616
		<u>368,639</u>	<u>382,251</u>	<u>1,506,690</u>	<u>1,560,088</u>
Premium ceded					
- insurance contract		(49,262)	(49,846)	(175,215)	(164,772)
- change in unearned premium provision		6,289	4,276	3,372	3,242
		<u>(42,973)</u>	<u>(45,570)</u>	<u>(171,843)</u>	<u>(161,530)</u>
		<u>325,666</u>	<u>336,681</u>	<u>1,334,847</u>	<u>1,398,558</u>
(b) Insurance claims					
- gross benefits and claims paid		208,775	218,034	742,971	850,870
- claims ceded to reinsurers		(21,519)	(19,934)	(72,786)	(77,372)
- change in contract liabilities - insurance contract		31,575	(58,749)	190,985	(13,468)
- change in contract liabilities ceded to reinsurers					
- insurance contract		(47,275)	33,537	(133,910)	17,005
		<u>171,556</u>	<u>172,888</u>	<u>727,260</u>	<u>777,035</u>

<sup>1</sup> Net of bancassurance commission paid/payable to other subsidiaries of the Group of RM16,649,000 (31 March 2021: RM17,673,000) eliminated upon consolidation.

**A23. OTHER OPERATING INCOME**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Fee and commission income:				
Fees on loans and securities	36,022	27,392	159,538	109,525
Corporate advisory	2,471	2,550	15,069	10,483
Guarantee fees	12,683	11,337	47,120	48,044
Underwriting commission	1,392	-	2,174	129
Portfolio management fees	13,610	15,429	49,577	51,328
Unit trust fees, commission and charges	32,063	55,297	169,962	184,847
Property trust management fees	1,765	1,807	6,821	7,075
Brokerage fees and commission	9,708	18,452	44,086	69,593
Bancassurance commission	3,563	2,369	12,339	10,470
Wealth management fees	3,841	3,901	20,476	24,492
Remittances	8,224	5,590	24,947	19,196
Fees, service and commission charges	6,384	5,264	24,878	21,743
Placement fees	857	1,456	7,227	5,464
Others	4,305	5,550	19,509	19,356
	<u>136,888</u>	<u>156,394</u>	<u>603,723</u>	<u>581,745</u>
Investment and trading income:				
Net gain from sale of financial assets at fair value through profit or loss	7,148	18,301	3,711	275,388
Net gain from sale of financial investments at fair value through other comprehensive income	157	6,478	4,218	23,492
Net gain on redemption of financial investments at amortised cost	-	3,413	-	3,413
Net (loss)/gain on revaluation of financial assets at fair value through profit or loss	(41,690)	(43,172)	(41,050)	66,483
Net gain on redemption of financial liabilities at fair value through profit or loss	88	-	401	-
Net loss on revaluation of financial liabilities at fair value through profit or loss	(59)	-	-	-
Net gain on foreign exchange	2,674	161,516	84,144	109,982
Net gain/(loss) on derivatives	19,178	(105,609)	63,328	(135,126)
Gain on liquidation of subsidiaries	5	-	5	2,457
Dividend income from:				
Financial assets at fair value through profit or loss	11,558	9,041	30,917	32,130
Financial investments at fair value through other comprehensive income	500	20	4,206	3,689
Others	(169)	170	5,383	1,010
	<u>(610)</u>	<u>50,158</u>	<u>155,263</u>	<u>382,918</u>
Other income:				
Net gain/(loss) on non-trading foreign exchange	91	(191)	833	999
Net gain/(loss) on disposal of property and equipment	75	(456)	75	145
Rental income	671	(800)	1,098	2,764
Profit from sale of goods and services	4,186	4,586	17,299	17,983
Gain on disposal of foreclosed properties	-	-	-	540
Others	6,705	1,038	7,669	5,669
	<u>11,728</u>	<u>4,177</u>	<u>26,974</u>	<u>28,100</u>
	<u>148,006</u>	<u>210,729</u>	<u>785,960</u>	<u>992,763</u>

**A23. OTHER OPERATING INCOME (CONT'D.)**

Company	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Investment and trading income:				
Gain on liquidation of a subsidiary	65	-	65	-
Dividend income from:				
Subsidiaries	-	51,012	193,058	354,260
Financial assets at fair value through profit or loss	5	6	24	26
	<u>70</u>	<u>51,018</u>	<u>193,147</u>	<u>354,286</u>
Other income:				
Net gain on disposal of property and equipment	-	-	-	38
Others	418	254	1,067	1,176
	<u>418</u>	<u>254</u>	<u>1,067</u>	<u>1,214</u>
	<u>488</u>	<u>51,272</u>	<u>194,214</u>	<u>355,500</u>

**A24. OTHER OPERATING EXPENSES**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Personnel costs:				
Salaries, allowances and bonuses	296,290	217,172	1,034,727	924,704
Shares granted under ESS				
- charge/(writeback)	7,696	3,636	(2,256)	39,452
Contributions to Employees' Provident Fund ("EPF")/Private Retirement Schemes	47,458	35,135	167,362	151,765
Social security cost	2,033	2,091	8,227	8,325
Other staff related expenses	15,943	40,312	102,485	155,922
	<u>369,420</u>	<u>298,346</u>	<u>1,310,545</u>	<u>1,280,168</u>
Establishment costs:				
Depreciation of property and equipment	14,046	16,345	62,901	69,892
Depreciation of right-of-use assets	16,749	20,249	77,884	82,342
Amortisation of intangible assets	23,107	36,506	107,195	110,695
Computerisation costs	56,669	55,080	191,590	184,632
Rental of premises	1,601	3,914	2,692	6,774
Cleaning, maintenance and security	9,137	8,068	32,242	29,036
Finance costs:				
- interest on lease liabilities	1,658	2,458	7,815	12,191
- provision for reinstatement of leased properties	24	31	107	141
Others	8,225	7,580	31,275	33,607
	<u>131,216</u>	<u>150,231</u>	<u>513,701</u>	<u>529,310</u>
Marketing and communication expenses:				
Sales commission	1,028	1,647	4,889	8,214
Advertising, promotional and other marketing activities	21,260	7,026	57,921	80,038
Telephone charges	4,533	6,243	20,628	23,159
Postage	1,764	2,638	10,157	12,721
Travelling and entertainment	1,789	1,758	5,413	7,693
Others	372	4,883	7,998	16,968
	<u>30,746</u>	<u>24,195</u>	<u>107,006</u>	<u>148,793</u>

**A24. OTHER OPERATING EXPENSES (CONT'D.)**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Administration and general expenses:				
Professional services	17,725	31,205	72,043	84,308
Travelling	443	506	1,576	2,460
Insurance	1,780	2,364	6,591	6,076
Subscriptions and periodicals	2,189	2,456	9,213	9,192
Others	3,803	15,351	73,552	71,928
	<u>25,940</u>	<u>51,882</u>	<u>162,975</u>	<u>173,964</u>
Total	<u>557,322</u>	<u>524,654</u>	<u>2,094,227</u>	<u>2,132,235</u>

Company	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Establishment costs:				
Depreciation of property and equipment	-	19	1	115
Computerisation costs	86	87	299	283
	<u>86</u>	<u>106</u>	<u>300</u>	<u>398</u>
Marketing and communication expenses:				
Advertising, promotional and other marketing activities	-	-	1	8
Telephone charges	-	-	1	-
Postage	-	-	-	1
Others	7	2	15	1
	<u>7</u>	<u>2</u>	<u>17</u>	<u>10</u>
Administration and general expenses:				
Professional services	776	242	3,335	887
Travelling	-	-	19	3
Insurance	-	-	22	-
Subscriptions and periodicals	-	5	3	8
Others	1,294	914	700	5,046
	<u>2,070</u>	<u>1,161</u>	<u>4,079</u>	<u>5,944</u>
Service transfer pricing expense, net	3,168	3,968	13,247	16,059
Total	<u>5,331</u>	<u>5,237</u>	<u>17,643</u>	<u>22,411</u>

**A25. (WRITEBACK OF)/ALLOWANCES FOR IMPAIRMENT ON LOANS, ADVANCES AND FINANCING**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 (Restated) RM'000	31.03.2022 RM'000	31.03.2021 (Restated) RM'000
Impairment on loans, advances and financing: (Writeback of)/Allowances for ECL	(169,677)	318,212	554,563	1,264,849
Impaired loans, advances and financing recovered, net	(74,154)	(65,436)	(240,384)	(351,614)
	<u>(243,831)</u>	<u>252,776</u>	<u>314,179</u>	<u>913,235</u>

**A26. ALLOWANCES FOR/(WRITEBACK OF) IMPAIRMENT ON FINANCIAL INVESTMENTS AND OTHER FINANCIAL ASSETS**

	Individual Quarter		Cumulative Quarter	
	31.03.2022	31.03.2021 (Restated)	31.03.2022	31.03.2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
<b>Financial investments</b>				
Financial investments at fair value through other comprehensive income	(16,929)	(5,783)	2,263	(14,392)
Financial investments at amortised cost	183,457	210,000	267,977	209,617
	<u>166,528</u>	<u>204,217</u>	<u>270,240</u>	<u>195,225</u>
<b>Other financial assets</b>				
Cash and short-term funds	469	(88)	(60)	1,493
Deposits and placements with banks and other financial institutions	1,270	(339)	1,283	(443)
Other assets	213	312	655	(1,382)
	<u>1,952</u>	<u>(115)</u>	<u>1,878</u>	<u>(332)</u>

## 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.
- (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 & Markets.
  - (i) 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 provides full range of products and services relating to treasury activities, including foreign exchange, derivatives, fixed income and structured warrants.
- (d) **Investment Banking**  
Investment Banking offers investment banking solutions and services, encompassing capital markets (primary) activities, broking, private banking services, corporate advisory and fund raising services (equity and debt capital).
- (e) **Fund Management**  
Fund Management comprises the asset and fund management services, offering a variety of investment solutions for various asset classes to retail, corporate and institutional clients.
- (f) **Insurance**  
Insurance segment offers a broad range of general insurance products, namely motor, personal accident, property and household. It also offers life insurance and takaful products namely wealth protection/savings, health and medical protection and family takaful solutions provided through our joint venture operations.
- (g) **Group Funding and Others**  
Group Funding and Others comprises activities to maintain the liquidity of the Group as well as support operations of its main business units and non-core operations of the Group.

### Measurement of segment performance

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

#### Note:

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

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

**Group**

For the financial year ended 31.03.2022	Wholesale banking							Group funding and others RM'000	Total RM'000
	Retail banking RM'000	Business banking RM'000	Corporate banking RM'000	Group Treasury & Markets RM'000	Investment banking RM'000	Fund management RM'000	Insurance RM'000		
External net income	2,142,617	660,255	1,055,301	311,601	224,692	150,859	587,872	(468,182)	4,665,015
Intersegments net income	(469,608)	(101,827)	(371,242)	290,816	(14,930)	-	(16,649)	683,440	-
Net income	1,673,009	558,428	684,059	602,417	209,762	150,859	571,223	215,258	4,665,015
Net interest and funding income	1,416,825	442,604	552,099	495,379	56,622	1,325	107,981	202,412	3,275,247
Insurance and other operating income	256,892	115,824	131,960	107,038	153,140	149,534	423,580	7,709	1,345,677
Share in results of associates and joint ventures	(708)	-	-	-	-	-	39,662	5,137	44,091
Net income	1,673,009	558,428	684,059	602,417	209,762	150,859	571,223	215,258	4,665,015
Other operating expenses	(839,747)	(153,041)	(174,460)	(79,638)	(107,662)	(68,439)	(319,418)	(351,822)	(2,094,227)
of which:									
Depreciation of property and equipment	(17,298)	(1,840)	(1,373)	(321)	(825)	(206)	(4,079)	(36,959)	(62,901)
Depreciation of right-of-use assets	-	-	-	-	-	-	(12,449)	(65,435)	(77,884)
Amortisation of intangible assets	(21,902)	(847)	(5,545)	(2,878)	(635)	(176)	(18,953)	(56,259)	(107,195)
Profit/(Loss) before impairment losses (Allowances for)/Writeback of impairment on loans, advances and financing	833,262	405,387	509,599	522,779	102,100	82,420	251,805	(136,564)	2,570,788
(Allowances for)/Writeback of impairment on other assets	(167,430)	(43,369)	(364,092)	-	12,201	-	-	248,511	(314,179)
Provision for commitments and contingencies -writeback/(charge)	(249)	-	(468,111)	4,780	(458)	(306)	1,681	192,226	(270,437)
Other recoveries/(Write-offs), net	9,877	(935)	(185,596)	-	-	-	-	(334)	(176,988)
Impairment of investment in associate	140	-	-	-	47	-	(31)	30	186
Profit/(Loss) before taxation and zakat	-	-	-	-	-	-	-	(4,625)	(4,625)
Taxation and zakat	675,600	361,083	(508,200)	527,559	113,890	82,114	253,455	299,244	1,804,745
Profit/(Loss) for the financial year	(160,782)	(82,983)	128,060	(110,427)	(25,769)	(16,687)	(26,334)	85,116	(209,806)
Profit/(Loss) for the financial year	514,818	278,100	(380,140)	417,132	88,121	65,427	227,121	384,360	1,594,939
Other information									
Total segment assets	68,443,901	18,553,355	31,974,239	46,583,841	2,780,261	140,188	6,029,693	353,427	174,858,905
Total segment liabilities	54,844,327	15,430,869	15,941,681	51,589,535	1,653,096	36,228	3,072,849	14,331,427	156,900,012
Cost to income ratio	50.2%	27.4%	25.5%	13.2%	51.3%	45.4%	55.9%	>100.0%	44.9%
Gross loans, advances and financing	68,396,170	18,735,657	31,063,397	-	1,883,974	-	393	(86,330)	119,993,261
Net loans, advances and financing	67,289,770	18,541,363	30,464,461	-	1,883,919	-	323	(114,151)	118,065,685
Impaired loans, advances and financing	893,471	265,966	516,552	-	55	-	-	-	1,676,044
Total deposits	54,140,217	15,268,001	15,553,315	47,994,239	854,837	-	-	(1,323,174)	132,487,435
Additions to:									
Property and equipment	7,043	292	544	363	800	254	3,043	13,086	25,425
Intangible assets	16,567	450	10,056	12,988	852	711	7,027	26,358	75,009



A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

Group

For the financial year ended 31.03.2021 (Restated)	Wholesale banking							Group funding and others RM'000	Total RM'000
	Retail banking RM'000	Business banking RM'000	Corporate banking RM'000	Group Treasury & Markets RM'000	Investment banking RM'000	Fund management RM'000	Insurance RM'000		
External net income	2,016,075	627,708	1,094,710	319,103	211,367	136,914	677,262	(530,684)	4,552,455
Intersegments net income	(418,280)	(121,146)	(467,353)	446,125	(9,313)	-	(17,673)	587,640	-
Net income	<u>1,597,795</u>	<u>506,562</u>	<u>627,357</u>	<u>765,228</u>	<u>202,054</u>	<u>136,914</u>	<u>659,589</u>	<u>56,956</u>	<u>4,552,455</u>
Net interest and funding income	1,327,766	386,456	524,863	481,227	45,754	1,065	112,587	55,664	2,935,382
Insurance and other operating income	271,349	120,106	102,494	284,001	156,300	135,849	503,102	59	1,573,260
Share in results of associates and joint ventures	(1,320)	-	-	-	-	-	43,900	1,233	43,813
Net income	<u>1,597,795</u>	<u>506,562</u>	<u>627,357</u>	<u>765,228</u>	<u>202,054</u>	<u>136,914</u>	<u>659,589</u>	<u>56,956</u>	<u>4,552,455</u>
Other operating expenses	<u>(865,040)</u>	<u>(152,055)</u>	<u>(184,265)</u>	<u>(84,074)</u>	<u>(111,388)</u>	<u>(64,639)</u>	<u>(356,642)</u>	<u>(314,132)</u>	<u>(2,132,235)</u>
of which:									
Depreciation of property and equipment	(21,007)	(1,877)	(1,745)	(144)	(902)	(222)	(5,972)	(38,023)	(69,892)
Depreciation of right-of-use assets	-	-	-	-	-	-	(12,161)	(70,181)	(82,342)
Amortisation of intangible assets	(31,145)	(847)	(7,485)	(1,479)	(660)	(188)	(19,102)	(49,789)	(110,695)
Profit/(Loss) before impairment losses and settlement	732,755	354,507	443,092	681,154	90,666	72,275	302,947	(257,176)	2,420,220
(Allowances for)/Writeback of impairment on loans, advances and financing	(538,815)	(27,800)	(220,482)	-	3,807	-	-	(129,945)	(913,235)
Writeback of/(Allowances for) impairment on other assets	376	-	(11,275)	(858)	295	(143)	6,208	(183,288)	(188,685)
Provision for commitments and contingencies - writeback/(charge)	4,718	(33,238)	(33,855)	-	-	-	-	23,079	(39,296)
Other recoveries/(write-offs), net	-	-	7,994	-	11	-	(3,660)	124	4,469
Impairment of goodwill	-	-	-	-	-	-	-	(1,789,153)	(1,789,153)
Impairment of investment in associate	-	-	-	-	-	-	-	(147,819)	(147,819)
Settlement	-	-	-	-	-	-	-	(2,830,000)	(2,830,000)
Profit/(Loss) before taxation and zakat	<u>199,034</u>	<u>293,469</u>	<u>185,474</u>	<u>680,296</u>	<u>94,779</u>	<u>72,132</u>	<u>305,495</u>	<u>(5,314,178)</u>	<u>(3,483,499)</u>
Taxation and zakat	<u>(47,985)</u>	<u>(68,089)</u>	<u>(49,117)</u>	<u>(150,726)</u>	<u>(20,857)</u>	<u>(14,403)</u>	<u>(29,094)</u>	<u>151,676</u>	<u>(228,595)</u>
Profit/(Loss) for the financial year	<u>151,049</u>	<u>225,380</u>	<u>136,357</u>	<u>529,570</u>	<u>73,922</u>	<u>57,729</u>	<u>276,401</u>	<u>(5,162,502)</u>	<u>(3,712,094)</u>
Other information									
Total segment assets	64,613,184	17,144,289	30,746,765	48,755,463	2,658,672	130,482	5,775,378	354,021	170,178,254
Total segment liabilities	48,123,330	12,491,541	14,389,694	59,956,315	1,097,055	24,350	3,363,322	15,142,288	154,587,895
Cost to income ratio	54.1%	30.0%	29.4%	11.0%	55.1%	47.2%	54.1%	>100.0%	46.8%
Gross loans, advances and financing	64,787,014	17,278,220	28,855,543	-	1,869,847	-	525	(98,874)	112,692,275
Net loans, advances and financing	63,602,326	17,129,856	28,389,638	-	1,869,469	-	456	(375,241)	110,616,504
Impaired loans, advances and financing	881,852	260,171	627,919	-	378	-	-	-	1,770,320
Total deposits	47,537,095	12,329,935	14,135,505	56,865,878	615,236	-	-	(1,019,576)	130,464,073
Additions to:									
Property and equipment	16,349	113	286	1,279	966	78	3,736	16,900	39,707
Intangible assets	22,455	596	3,637	9,596	1,361	252	10,705	43,814	92,416

## A28. VALUATION OF PROPERTY AND EQUIPMENT

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

## A29. SIGNIFICANT EVENTS DURING THE REPORTING YEAR

### (i) Proposed disposal of AmGeneral Insurance Berhad to Liberty Insurance Berhad

On 19 July 2021, AmGeneral Holdings Berhad ("AGHB"), a 51%-owned subsidiary of the Company entered into an Implementation Agreement with Liberty Insurance Berhad ("LIB") whereby AGHB will dispose its wholly-owned subsidiary, AmGeneral Insurance Berhad ("AGIB"), to LIB for approximately RM2,290 million (subject to adjustments), to be satisfied via a combination of cash and shares in LIB ("Proposed Disposal").

The Proposed Disposal is subject to regulatory approvals. Contingent on receiving the said approvals, AGHB and LIB will, inter alia, execute a share purchase agreement under which:

- (a) LIB will acquire 100% equity stake in AGIB from AGHB for approximately RM2,290 million (subject to adjustments); and
- (b) The Company's share of proceeds from the Proposed Disposal will be satisfied via a combination of cash and shares, which will result in the Company holding a 30% interest in the LIB and AGIB businesses.

Upon completion of the Proposed Disposal, AMMB and Liberty Mutual Insurance Company (the parent company of LIB) will hold a 30% and a 70% equity stake respectively in LIB and AGIB. AMMB will be accounting for the Proposed Disposal as a disposal of subsidiary and, subsequently, will account for the 30% retained interest in LIB and AGIB as an associate undertaking.

The Proposed Disposal will also see AMMB Group entering into a 20-year new bancassurance partnership.

## A30. CHANGES IN THE COMPOSITION OF THE GROUP AND THE COMPANY

### Dissolution of subsidiaries

- (i) AmCapital (B) Sdn Bhd, under court liquidation was dissolved on 13 October 2019 (communicated by the Registry of Companies and Business Names Division of the Ministry of Finance and Economy of Brunei Darussalam via letter dated 10 May 2021).
- (ii) AMMB Nominees (Asing) Sdn Bhd had commenced members' voluntary winding-up on 30 January 2019 was dissolved on 13 November 2021.
- (iii) AMSEC Holdings Sdn Bhd had commenced members' voluntary winding-up on 6 August 2013 was dissolved on 16 November 2021.
- (iv) AMFB Holdings Berhad had commenced members' voluntary winding-up on 23 December 2016 was dissolved on 1 March 2022.
- (v) AmPremier Capital Berhad had commenced members' voluntary winding-up on 25 October 2019 was dissolved on 1 March 2022.

Other than as disclosed above, there were no material changes in the composition of the Group and the Company for the current financial quarter and year.

### A31. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the banking subsidiaries of the Company make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions other than those where provision had been made in the financial statements. The commitments and contingencies are not secured against the Group's assets.

As at the reporting date, the principal amounts of commitments and contingencies and notional contracted amounts of derivatives are as follows:

	Group	
	31.03.2022	31.03.2021
	Principal/ Notional Amount RM'000	Principal/ Notional Amount RM'000
<b>Commitments</b>		
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:		
up to one year	17,485,076	17,722,506
over one year	2,516,528	2,018,731
Unutilised credit card lines	5,126,496	5,151,236
Forward asset purchases	60,257	894,498
	<u>25,188,357</u>	<u>25,786,971</u>
<b>Contingent Liabilities</b>		
Direct credit substitutes	2,972,783	2,113,258
Transaction related contingent items	4,295,291	4,303,726
Obligations under underwriting agreements	130,000	-
Short-term self-liquidating trade-related contingencies	604,427	694,409
	<u>8,002,501</u>	<u>7,111,393</u>
<b>Derivative Financial Instruments</b>		
Interest/Profit rate related contracts:	39,195,917	45,754,858
One year or less	12,051,408	13,551,363
Over one year to five years	20,836,522	27,165,318
Over five years	6,307,987	5,038,177
Foreign exchange related contracts:	48,628,852	56,479,420
One year or less	40,258,048	47,993,667
Over one year to five years	6,154,545	7,097,188
Over five years	2,216,259	1,388,565
Credit related contracts:	-	347,950
One year or less	-	347,950
Equity and commodity related contracts:	1,645,753	1,519,073
One year or less	1,570,386	1,434,391
Over one year to five years	75,367	84,682
	<u>89,470,522</u>	<u>104,101,301</u>
	<u>122,661,380</u>	<u>136,999,665</u>

### A31. COMMITMENTS AND CONTINGENCIES (CONT'D.)

As at the reporting date, other commitments and contingencies of the Group and of the Company are as follows:

- (a) The Company has given an unsecured guarantee amounting to RM50.0 million (31 March 2021: RM50.0 million) on behalf of AmlInvestment Bank Berhad ("AmlInvestment Bank"), for the payment and discharge of all monies due on trading accounts maintained by Morgan Stanley & Co. International Plc., Morgan Stanley & Co. LLC and Morgan Stanley Capital Group Inc in respect of their respective futures trading activity with AmlInvestment Bank.
- (b) The Malaysia Competition Commission ("MyCC")'s Proposed Decision against Persatuan Insurans Am Malaysia ("PIAM") and its 22 members (including AmGeneral Insurance Berhad, a subsidiary).

On 25 September 2020, AmGeneral Insurance Berhad ("AmGeneral") received the Notice of Finding of an infringement by the Competition Commission ("the Commission") under Section 40 of the Competition Act 2010 ("CA 2010").

Pursuant to Section 40 of CA 2010, the Commission has determined that PIAM and its 22 members have infringed the prohibition under section 4 of CA 2010 by participating in an agreement that significantly prevents, restricts or distorts competition in relation to PIAM Approved Repairers Scheme.

The penalty imposed of RM13.7 million was lower than the initial proposed decision by MyCC since 27 February 2017 of RM45.2 million.

On 13 October 2020, AmGeneral submitted a Notice of Appeal to MyCC pursuant to Section 51 of the CA and on 23 October 2020, submitted an Application for Stay to the Competition Appeal Tribunal ("COMPAT") pursuant to Section 53 of the CA. On 23 March 2021, the COMPAT panel unanimously decided to grant a stay of the financial penalties pending the disposal of the appeal.

On 26 April 2021, the High Court has granted AmGeneral's Application for Leave for Judicial Review and extended the interim stay which was granted on 15 March 2021 until the hearing of any objections or application by MyCC to set it aside. The grant of leave means the High Court has agreed to hear arguments on AmGeneral's application to set aside MyCC's decision.

On 20 October 2021, the High Court allowed MyCC's application to set aside the leave and stay order granted by the High Court.

AmGeneral has lodged an appeal to the Court of Appeal accordingly within the stipulated timeline. Further to this, COMPAT proceedings for oral submission by counsel representing PIAM, our counsel and all other Insurers' counsel were concluded on 12, 15, 16, 19 and 26 November 2021. COMPAT has fixed new dates for MyCC to conclude their oral submissions and counsel for the insurers to present their submissions in reply.

On 17 and 21 March 2022, MyCC appeared before COMPAT for MyCC's submissions in reply whereby MyCC raised some new points but did not address several main points that was brought up by AmGeneral's counsel. The submission in reply by other counsels commenced on 24 March 2022. On 21 April 2022, AmGeneral's counsel appeared before the COMPAT panel and proceeded with their oral submissions in reply. AmGeneral's counsel addressed the Court on and rebutted the points/cases referred to by MyCC. MyCC also made an application to put in further reply submissions to the reply submissions of AmGeneral's counsel. On 22 April 2022, AmGeneral's counsel appeared before the COMPAT panel who heard their oral submissions in full. The COMPAT panel then deliberated on the application for further submissions by MyCC and decided not to allow further submissions. The COMPAT panel thereafter indicated that the judgement would likely to be provided at the end of June 2022.

- (c) On 9 December 2019, the Company and its wholly-owned subsidiary, AmBank Islamic were served with a writ and statement of claim by Dato' Sri Mohd Najib bin Hj Abd Razak ("Plaintiff"). In this action, the Plaintiff is seeking damages in relation to the conduct of his current accounts opened with AmBank Islamic.

The Company and AmBank Islamic have been advised by the solicitors that the allegations are not sustainable and AmBank Islamic and the Company have a strong defence.

On 28 September 2020, the High Court struck out the Plaintiff's lawsuit against AmBank Islamic and the Company. The Plaintiff has filed an appeal against the High Court's decision and it was heard on 2 December 2021 and 24 January 2022 at the Court of Appeal. On 27 January 2022, the Court of Appeal dismissed the Plaintiff's appeal and ordered the Plaintiff to pay total costs of RM40,000 to AmBank Islamic and the Company.

As at today, the Plaintiff did not lodge any further appeal against at the Court of Appeal decision and the last day of appeal, being 26 February 2022, has lapsed.

### A32. DERIVATIVE FINANCIAL INSTRUMENTS

The following summarises the notional contracted amounts of derivatives held for trading and derivative designated in hedge accounting relationships of the Group and the revalued derivative financial instruments as at the reporting date:

Group	31.03.2022			31.03.2021		
	Contract/ Notional Amount RM'000	Fair Value		Contract/ Notional Amount RM'000	Fair Value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<b>Trading derivatives</b>						
Interest/Profit rate related contracts:	38,845,917	424,297	345,542	45,289,858	624,513	674,371
- One year or less	12,051,408	54,274	49,463	13,436,363	39,872	54,341
- Over one year to three years	15,851,862	125,730	119,451	19,130,217	240,773	288,511
- Over three years	10,942,647	244,293	176,628	12,723,278	343,868	331,519
Foreign exchange related contracts:	48,628,852	341,606	372,353	56,479,420	642,697	536,032
- One year or less	40,258,048	124,735	105,866	47,993,667	317,249	304,083
- Over one year to three years	5,031,525	142,909	144,524	4,282,828	125,489	81,846
- Over three years	3,339,279	73,962	121,963	4,202,925	199,959	150,103
Credit related contracts:	-	-	-	347,950	1,347	910
- One year or less	-	-	-	347,950	1,347	910
Equity and commodity related contracts:	1,645,753	55,470	74,386	1,519,073	22,633	36,508
- One year or less	1,570,386	47,256	66,123	1,434,391	17,412	31,434
- Over one year to three years	75,367	8,214	8,263	14,350	410	263
- Over three years	-	-	-	70,332	4,811	4,811
	<u>89,120,522</u>	<u>821,373</u>	<u>792,281</u>	<u>103,636,301</u>	<u>1,291,190</u>	<u>1,247,821</u>
<b>Hedging derivatives</b>						
Interest/Profit rate related contracts:						
Interest/Profit rate swaps:						
Cash flow hedge	-	-	-	115,000	-	1,654
- One year or less	-	-	-	115,000	-	1,654
Fair value hedge	350,000	-	11,282	350,000	-	20,334
- Over one year to three years	350,000	-	11,282	-	-	-
- Over three years	-	-	-	350,000	-	20,334
Total	<u>89,470,522</u>	<u>821,373</u>	<u>803,563</u>	<u>104,101,301</u>	<u>1,291,190</u>	<u>1,269,809</u>

### A33. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

#### Determination of fair value and fair value hierarchy

The Group and the Company measure fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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 Company 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 a valuation technique 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 Company. Therefore, unobservable inputs reflect the Group's and the Company'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 Company's own data, as well as financial information of the counterparties. Unquoted equity investments at FVOCI are revalued using adjusted net assets method.

About 2.5% (31 March 2021: 2.4%) of the Group'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.

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

Group	Level 1	Level 2	Level 3	Total
31.03.2022	RM'000	RM'000	RM'000	RM'000
<b>Financial assets measured at fair value</b>				
Derivative financial assets	2,090	819,283	-	821,373
Financial assets at fair value through profit or loss				
- Money market securities	-	2,173,041	-	2,173,041
- Shares	1,124,249	-	31	1,124,280
- Unit trusts	177,091	1,128	-	178,219
- Quoted corporate bonds and sukuk	-	13,315	-	13,315
- Unquoted corporate bonds and sukuk	-	3,727,705	-	3,727,705
Financial investments at fair value through other comprehensive income				
- Money market securities	-	8,498,176	-	8,498,176
- Shares	-	-	675,089	675,089
- Unquoted corporate bonds and sukuk	-	9,583,492	-	9,583,492
	<u>1,303,430</u>	<u>24,816,140</u>	<u>675,120</u>	<u>26,794,690</u>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities	26,965	776,598	-	803,563
	<u>26,965</u>	<u>776,598</u>	<u>-</u>	<u>803,563</u>

**A33. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

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

<b>Company</b> <b>31.03.2022</b>	<b>Level 1</b> <b>RM'000</b>	<b>Level 2</b> <b>RM'000</b>	<b>Level 3</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Financial assets at fair value through profit or loss				
- Unit trusts	-	1,128	-	1,128
	-	1,128	-	1,128
<b>Group</b> <b>31.03.2021</b>	<b>Level 1</b> <b>RM'000</b>	<b>Level 2</b> <b>RM'000</b>	<b>Level 3</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Derivative financial assets				
	237	1,290,953	-	1,291,190
Financial assets at fair value through profit or loss				
- Money market securities	-	4,116,349	-	4,116,349
- Shares	1,083,286	-	34	1,083,320
- Unit trusts	195,792	1,104	-	196,896
- Quoted corporate bonds and sukuk	-	37,538	-	37,538
- Unquoted corporate bonds and sukuk	-	4,127,871	-	4,127,871
Financial investments at fair value through other comprehensive income				
- Money market securities	-	7,661,349	-	7,661,349
- Shares	-	-	686,792	686,792
- Unquoted corporate bonds and sukuk	-	9,438,057	-	9,438,057
	<u>1,279,315</u>	<u>26,673,221</u>	<u>686,826</u>	<u>28,639,362</u>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities				
	21,242	1,248,567	-	1,269,809
<b>Company</b> <b>31.03.2021</b>				
<b>Financial assets measured at fair value</b>				
Financial assets at fair value through profit or loss				
- Unit trusts	-	1,104	-	1,104
	-	1,104	-	1,104

**A33. 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 table shows a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value at the reporting date.

Group	Financial assets at FVTPL RM'000	Financial investments at FVOCI RM'000	Total RM'000
<b>31.03.2022</b>			
Balance at beginning of the financial year	34	686,792	686,826
Loss on revaluation of financial assets at FVTPL taken up in statement of profit or loss	(3)	-	(3)
Total gains recognised in other comprehensive income under fair value reserve	-	3,148	3,148
Additions	-	6	6
Disposals	-	(14,857)	(14,857)
Balance at end of the financial year	<u>31</u>	<u>675,089</u>	<u>675,120</u>
<b>31.03.2021</b>			
Balance at beginning of the financial year	2,766	593,550	596,316
Gain on revaluation of financial assets at FVTPL taken up in statement of profit or loss	136	-	136
Total gains recognised in other comprehensive income under fair value reserve	-	93,242	93,242
Disposals	(2,868)	-	(2,868)
Balance at end of the financial year	<u>34</u>	<u>686,792</u>	<u>686,826</u>

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

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

Group	31.03.2022 RM'000	31.03.2021 RM'000
<b>Financial assets at FVTPL:</b>		
Total (loss)/gain included in:		
- investment and trading income in statement of profit or loss	<u>(3)</u>	<u>136</u>
<b>Financial investments at FVOCI:</b>		
Total gains included in:		
- fair value reserve in statement of comprehensive income	<u>3,148</u>	<u>93,242</u>

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

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.



#### A34. CAPITAL ADEQUACY

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

	31.03.2022			
	AmBank	AmBank Islamic	AmInvestment Bank	Group
Under transitional arrangements, refer Note (1) below				
Before deducting proposed dividends:				
CET1 Capital Ratio	11.659%	12.489%	33.393%	12.342%
Tier 1 Capital Ratio	11.659%	12.489%	33.393%	12.342%
Total Capital Ratio	16.109%	17.292%	34.077%	15.456%
After deducting proposed dividends:				
CET1 Capital Ratio	11.659%	12.489%	25.771%	12.202%
Tier 1 Capital Ratio	11.659%	12.489%	25.771%	12.202%
Total Capital Ratio	16.109%	17.292%	26.456%	15.315%
31.03.2021				
Under transitional arrangements, refer Note (1) below				
Before deducting proposed dividends:				
CET1 Capital Ratio	11.095%	12.146%	27.374%	11.333%
Tier 1 Capital Ratio	11.095%	12.146%	27.374%	11.333%
Total Capital Ratio	15.650%	16.661%	27.374%	14.481%
After deducting proposed dividends:				
CET1 Capital Ratio	11.095%	12.038%	27.374%	11.333%
Tier 1 Capital Ratio	11.095%	12.038%	27.374%	11.333%
Total Capital Ratio	15.650%	16.553%	27.374%	14.481%

Notes:

- (1) Pursuant to the revised BNM policy documents, Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 9 December 2020, the capital ratios computed as at 31 March 2022 and 31 March 2021 had applied transitional arrangements on provision for ECL. Under the transitional arrangements, the Group is allowed to add back the amount of loss allowance for non-credit-impaired exposure (i.e. Stage 1 and Stage 2 provisions) to CET1 Capital. Had the transitional arrangements not been applied, the capital ratios of the Group and the banking subsidiaries are as follows:

	31.03.2022			
	AmBank	AmBank Islamic	AmInvestment Bank	Group
Before deducting proposed dividends:				
CET1 Capital Ratio	11.168%	11.763%	33.393%	11.791%
Tier 1 Capital Ratio	11.168%	11.763%	33.393%	11.791%
Total Capital Ratio	15.967%	16.948%	34.077%	15.324%
After deducting proposed dividends:				
CET1 Capital Ratio	11.168%	11.763%	25.771%	11.651%
Tier 1 Capital Ratio	11.168%	11.763%	25.771%	11.651%
Total Capital Ratio	15.967%	16.948%	26.456%	15.184%
31.03.2021				
Before deducting proposed dividends:				
CET1 Capital Ratio	10.415%	10.687%	27.374%	10.423%
Tier 1 Capital Ratio	10.415%	10.687%	27.374%	10.423%
Total Capital Ratio	15.378%	15.631%	27.374%	14.135%
After deducting proposed dividends:				
CET1 Capital Ratio	10.415%	10.580%	27.374%	10.423%
Tier 1 Capital Ratio	10.415%	10.580%	27.374%	10.423%
Total Capital Ratio	15.378%	15.523%	27.374%	14.135%

#### A34. CAPITAL ADEQUACY (CONT'D.)

- (2) The Company, being a financial holding company ("FHC") i.e. a financial holding company approved pursuant to Section 112(3) of the FSA or Section 124(3) of the IFSA and holds investment directly or indirectly in corporations that are engaged predominantly in banking business or Islamic banking business, has complied with BNM guidelines on minimum capital adequacy ratios and capital buffer requirements at the consolidated level effective 1 January 2019.

For regulatory capital reporting purposes, the consolidated level comprises the consolidation of all its financial and non-financial subsidiaries, excluding investments in insurance subsidiaries as per BNM's guidelines on Capital Adequacy Framework (Capital Components). Under the guidelines, investments in insurance subsidiaries shall be deducted in the calculation of CET1 Capital ratio.

- (3) Pursuant to the BNM's guidelines on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) issued, financial institutions are required to maintain minimum capital adequacy ratios at 4.5% for CET1 Capital, 6.0% for Tier 1 Capital and 8.0% for Total Capital ratio at all times. In addition, financial institutions are also required to maintain capital buffers which comprise the sum of the following:

- (a) a Capital Conservation Buffer ("CCB") of 2.5%;
  - (b) a Countercyclical Capital Buffer ("CCyB") determined as the weighted-average of the prevailing CCyB rates applied in the jurisdictions in which the banking institutions have credit exposures. BNM will communicate any decision on the CCyB rate by up to 12 months before the date from which the rate applies; and
  - (c) a Higher Loss Absorbency ("HLA") requirement for a financial institution that is designated as a domestic systemically important bank ("D-SIB").
- (b) The components of CET1 Capital, Additional Tier 1 Capital, Tier 2 Capital and Total Capital of the Group and its banking subsidiaries are as follows:

	31.03.2022			
	AmBank RM'000	AmBank Islamic RM'000	AmInvestment Bank RM'000	Group RM'000
<b>CET1 Capital</b>				
Ordinary share capital <sup>Note 1</sup>	3,040,465	1,387,107	330,000	6,376,240
Retained earnings	6,524,068	2,490,692	139,315	9,251,065
Fair value reserve	293,346	(3,893)	1,703	485,759
Foreign exchange translation reserve	92,301	-	-	98,871
Treasury shares	-	-	-	(11,041)
Regulatory reserve	94,463	-	8,457	102,920
Cash flow hedging deficit	(9,062)	-	-	(9,062)
Other remaining disclosed reserves	-	-	-	36,472
Less: Regulatory adjustments applied on CET1 Capital				
Goodwill	-	-	-	(303,492)
Other intangible assets	(221,538)	(495)	(2,063)	(225,116)
Deferred tax assets	(158,227)	(61,249)	(5,446)	(216,855)
55% of cumulative gains in fair value reserve	(161,340)	-	(937)	(267,168)
Cash flow hedging deficit	9,062	-	-	9,062
Regulatory reserve	(94,463)	-	(8,457)	(102,920)
Investment in capital instruments of unconsolidated financial and insurance/ takaful entities	(8,488)	-	(49,809)	(1,334,000)
Unrealised fair value gains on financial liabilities due to changes in own credit risk	(648)	(92)	-	(681)
Other CET1 regulatory adjustments specified by BNM	413,471	235,578	1	649,031
<b>CET1 Capital</b>	<b>9,813,410</b>	<b>4,047,648</b>	<b>412,764</b>	<b>14,539,085</b>

**A34. CAPITAL ADEQUACY (CONT'D.)**

- (b) The components of CET1 Capital, Additional Tier 1 Capital, Tier 2 Capital and Total Capital of the Group and its banking subsidiaries are as follows: (cont'd.)

	31.03.2022			Group RM'000
	AmBank RM'000	AmBank Islamic RM'000	AmInvestment Bank RM'000	
<b>Additional Tier 1 Capital</b>				
Qualifying CET1, Additional Tier 1 Capital instruments held by third parties	-	-	-	431
<b>Tier 1 Capital</b>	<b>9,813,410</b>	<b>4,047,648</b>	<b>412,764</b>	<b>14,539,516</b>
<b>Tier 2 Capital</b>				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	3,095,000	1,300,000	-	-
Qualifying CET1, Additional Tier 1 and Tier 2 Capital instruments held by third parties	-	-	-	2,752,328
General provisions*	650,081	256,523	8,460	914,980
<b>Tier 2 Capital</b>	<b>3,745,081</b>	<b>1,556,523</b>	<b>8,460</b>	<b>3,667,308</b>
<b>Total Capital</b>	<b>13,558,491</b>	<b>5,604,171</b>	<b>421,224</b>	<b>18,206,824</b>

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

Credit RWA	75,535,958	32,508,336	891,418	106,092,293
Less: Credit RWA absorbed by Profit Sharing Investment Account	-	(2,075,074)	-	(361,288)
Total Credit RWA	75,535,958	30,433,262	891,418	105,731,005
Market RWA	2,859,665	215,113	17,652	3,973,469
Operational RWA	4,792,198	1,760,237	327,009	7,114,901
Large exposure risk RWA for equity holdings	980,771	-	-	981,925
<b>Total RWA</b>	<b>84,168,592</b>	<b>32,408,612</b>	<b>1,236,079</b>	<b>117,801,300</b>

Note 1: On 14 April 2021, the Company increased its issued and paid-up ordinary share capital by RM825.0 million through the issuance of 300,000,000 new ordinary shares.

On 31 May 2021, AmBank increased its issued and paid-up ordinary share capital by RM450.0 million through the issuance of 46,680,498 new ordinary shares.

**A34. CAPITAL ADEQUACY (CONT'D.)**

- (c) The components of CET1 Capital, Additional Tier 1 Capital, Tier 2 Capital and Total Capital of the Group and its banking subsidiaries are as follows: (cont'd.)

	31.03.2021			
	AmBank RM'000	AmBank Islamic RM'000	AmInvestment Bank RM'000	Group RM'000
<b><u>CET1 Capital</u></b>				
Ordinary share capital <sup>Note2</sup>	2,590,465	1,387,107	330,000	5,551,557
Retained earnings	5,591,998	2,341,323	35,695	7,876,333
Fair value reserve	457,552	43,972	1,539	691,067
Foreign exchange translation reserve	88,443	-	-	94,992
Treasury shares	-	-	-	(20,970)
Cash flow hedging deficit	(16,949)	-	-	(16,949)
Other remaining disclosed reserves	-	-	-	67,778
Less: Regulatory adjustments applied on CET1 Capital				
Goodwill	-	-	-	(303,492)
Other intangible assets	(254,134)	(718)	(1,872)	(257,225)
Deferred tax assets	(95,580)	(62,877)	(5,841)	(157,666)
55% of cumulative gains in fair value reserve	(251,654)	(24,185)	(846)	(380,087)
Cash flow hedging deficit	16,949	-	-	16,949
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(8,488)	-	(49,809)	(1,334,000)
Unrealised fair value gains on financial liabilities due to changes in own credit risk	(1,197)	(183)	-	(1,254)
Other CET1 regulatory adjustments specified by BNM	529,759	502,728	-	1,032,479
<b>CET1 Capital</b>	<b>8,647,164</b>	<b>4,187,167</b>	<b>308,866</b>	<b>12,859,512</b>
<b><u>Additional Tier 1 Capital</u></b>				
Qualifying CET1, Additional Tier 1 Capital instruments held by third parties	-	-	-	445
<b>Tier 1 Capital</b>	<b>8,647,164</b>	<b>4,187,167</b>	<b>308,866</b>	<b>12,859,957</b>
<b><u>Tier 2 Capital</u></b>				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	2,995,000	1,300,000	-	-
Qualifying CET1, Additional Tier 1 and Tier 2 Capital instruments held by third parties	-	-	-	2,759,714
General provisions*	555,618	256,523	3	812,060
<b>Tier 2 Capital</b>	<b>3,550,618</b>	<b>1,556,523</b>	<b>3</b>	<b>3,571,774</b>
<b>Total Capital</b>	<b>12,197,782</b>	<b>5,743,690</b>	<b>308,869</b>	<b>16,431,731</b>

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

Credit RWA	69,875,702	33,139,511	839,127	102,337,880
Less: Credit RWA absorbed by Profit Sharing Investment Account	-	(796,005)	-	(76,493)
Total Credit RWA	69,875,702	32,343,506	839,127	102,261,387
Market RWA	2,681,941	508,561	15,027	3,734,468
Operational RWA	4,505,648	1,622,712	274,163	6,598,842
Large exposure risk RWA for equity holdings	877,587	-	-	878,254
<b>Total RWA</b>	<b>77,940,878</b>	<b>34,474,779</b>	<b>1,128,317</b>	<b>113,472,951</b>

Note 2: On 30 March 2021, AmBank and AmInvestment Bank increased its issued and paid-up ordinary share capital by RM650.0 million and RM130.0 million through the issuance of 66,394,280 and 114,035,088 new ordinary shares respectively.

\* Consists of Stage 1 and Stage 2 loss allowances and regulatory reserve.

**A35. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES**

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
Outstanding credit exposures with connected parties (RM'000)	<u>5,297,585</u>	<u>6,443,708</u>
Percentage of outstanding credit exposures to connected parties (%) - as a proportion of total credit exposures	<u>3.96</u>	<u>5.03</u>

The disclosure on Credit Transactions and Exposures with Connected Parties above is presented in accordance with para 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties.

**A36. INSURANCE BUSINESS**

**AmGeneral Holdings Berhad and its subsidiary**

**(I) CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022**

	General insurance fund		Shareholders' fund and Others		Total*	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
<b>ASSETS</b>						
Cash and short-term funds	201,231	137,680	104,449	128,127	305,680	265,807
Deposits and placements with banks and other financial institutions	20,096	20,180	-	-	20,096	20,180
Financial assets at fair value through profit or loss	2,435,614	2,397,597	4,532,591	4,511,146	3,551,434	3,498,507
Loans and advances	323	456	-	-	323	456
Deferred tax assets	44,264	23,005	-	-	44,264	23,005
Investment in a subsidiary	-	-	1,708,733	1,708,733	-	-
Other assets	1,368,669	1,193,820	62,994	59,000	114,944	112,954
Reinsurance assets and other insurance receivables	580,705	432,684	-	-	580,705	432,684
Property and equipment	12,681	13,764	(59)	(59)	12,622	13,705
Right-of-use assets	13,748	45,682	-	-	13,748	45,682
Intangible assets	37,608	45,502	54,769	58,803	871,304	883,231
Asset held for sale	1,562	1,562	762	762	2,324	2,324
<b>TOTAL ASSETS</b>	<b>4,716,501</b>	<b>4,311,932</b>	<b>6,464,239</b>	<b>6,466,512</b>	<b>5,517,444</b>	<b>5,298,535</b>
<b>LIABILITIES AND EQUITY</b>						
Redeemable cumulative convertible preference share	-	-	-	487,170	-	487,170
Deferred tax liabilities	-	-	31,539	59,631	31,539	59,631
Other liabilities	349,729	329,495	1,320,498	1,147,445	353,949	337,514
Insurance contract liabilities and other insurance payables	2,687,361	2,479,007	-	-	2,687,361	2,479,007
<b>Total Liabilities</b>	<b>3,037,090</b>	<b>2,808,502</b>	<b>1,352,037</b>	<b>1,694,246</b>	<b>3,072,849</b>	<b>3,363,322</b>
Share capital**	-	-	6,212,949	5,642,440	2,121,931	1,599,148
Reserves	1,679,411	1,503,430	(1,100,747)	(870,174)	322,664	336,065
Equity attributable to equity holders of the Company	1,679,411	1,503,430	5,112,202	4,772,266	2,444,595	1,935,213
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4,716,501</b>	<b>4,311,932</b>	<b>6,464,239</b>	<b>6,466,512</b>	<b>5,517,444</b>	<b>5,298,535</b>

\* After elimination on consolidation

**	Comprising:		
	Ordinary share capital	1,721,931	1,030,000
	Preference share capital	-	169,148
	Transfer from Retained Earnings arising from redemption of preference shares	400,000	400,000
		<b>2,121,931</b>	<b>1,599,148</b>

Note: Shareholders' funds and Others also include the results of AmGeneral Holdings Berhad and collective investment schemes of its insurance subsidiary.

**A36. INSURANCE BUSINESS (CONT'D.)**

**AmGeneral Holdings Berhad and its subsidiary**

**(II) CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

Group	General insurance fund		Shareholders' fund and Others		Total*	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Interest income	2,468	2,244	122,752	131,449	125,220	133,693
Interest expense	-	-	(17,239)	(21,106)	(17,239)	(21,106)
Net interest income	2,468	2,244	105,513	110,343	107,981	112,587
Income from insurance business	1,334,847	1,398,558	-	-	1,334,847	1,398,558
Insurance claims and commissions**	(874,929)	(921,918)	-	-	(874,929)	(921,918)
Net income from insurance business	459,918	476,640	-	-	459,918	476,640
Other operating income	56,068	90,443	184,792	278,357	(36,338)	26,462
Net income	518,454	569,327	290,305	388,700	531,561	615,689
Other operating expenses	(309,214)	(346,296)	(10,204)	(10,346)	(319,418)	(356,642)
Operating profit	209,240	223,031	280,101	378,354	212,143	259,047
Writeback of impairment:						
Reinsurance assets and insurance receivables	1,681	6,208	-	-	1,681	6,208
Other write-offs, net	(31)	(3,660)	-	-	(31)	(3,660)
Profit before taxation	210,890	225,579	280,101	378,354	213,793	261,595
Taxation	(34,049)	(34,139)	7,715	5,045	(26,334)	(29,094)
<b>Profit for the financial year</b>	<b>176,841</b>	<b>191,440</b>	<b>287,816</b>	<b>383,399</b>	<b>187,459</b>	<b>232,501</b>

\* After elimination on consolidation

\*\* Includes commission paid/payable to related companies of the Group of RM16,649,000 (31 March 2021: RM17,673,000)

### A37. OPERATIONS OF ISLAMIC BANKING

Upon notification to BNM, with effect from 15 June 2021, the Company's wholly-owned subsidiary, AmlInvestment Bank Berhad ("AmlInvestment") no longer required to disclose its operations of Islamic banking relating to stock broking and capital market activities undertaken in compliance with Shariah principles that are regulated by the Securities Commission and Bursa Malaysia Berhad. This change is also aligned to the presentation of financial information presented to management to manage the business.

As guided by BNM, retrospective application is not allowed. The change in the presentation is applied prospectively.

#### AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	Group	
		31.03.2022 RM'000	31.03.2021 RM'000 (Restated) (Note A38)
<b>ASSETS</b>			
Cash and short-term funds		3,599,095	9,398,989
Derivative financial assets		51,661	49,667
Financial assets at fair value through profit or loss		986,968	2,271,667
Financial investments at fair value through other comprehensive income		4,450,620	4,095,135
Financial investments at amortised cost		3,033,252	2,187,027
Financing and advances	(a)	38,653,868	34,593,838
Statutory deposit with Bank Negara Malaysia		167,000	113,000
Deferred tax assets		61,176	63,074
Other assets		286,825	343,068
Property and equipment		363	440
Right-of-use assets		2,066	2,351
Intangible assets		495	718
<b>TOTAL ASSETS</b>		<b>51,293,389</b>	<b>53,118,974</b>
<b>LIABILITIES AND ISLAMIC BANKING FUNDS</b>			
Deposits from customers	(b)	37,590,250	41,732,511
Investment accounts of customers	(c)	377,861	94,834
Deposits and placements of banks and other financial institutions		3,634,435	3,177,611
Investment account due to a licensed bank	(d)	1,710,663	718,034
Recourse obligation on financing sold to Cagamas Berhad		1,500,000	800,000
Derivative financial liabilities		60,038	67,751
Term funding		834,836	1,034,766
Subordinated Sukuk		1,300,000	1,300,000
Deferred tax liabilities		-	1,578
Other liabilities	(e)	411,400	296,010
<b>TOTAL LIABILITIES</b>		<b>47,419,483</b>	<b>49,223,095</b>
Share capital/Capital funds		1,387,107	1,417,107
Reserves		2,486,799	2,478,772
<b>TOTAL ISLAMIC BANKING FUNDS</b>		<b>3,873,906</b>	<b>3,895,879</b>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS</b>		<b>51,293,389</b>	<b>53,118,974</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		<b>14,702,448</b>	<b>14,742,101</b>



**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Note	Individual Quarter		Cumulative Quarter	
		31.03.2022 RM'000	31.03.2021 RM'000 (Restated) (Note 38)	31.03.2022 RM'000	31.03.2021 RM'000 (Restated) (Note A38)
Income derived from investment of depositors' funds	1	426,290	405,721	1,702,082	1,620,180
Income derived from investment of investment account funds		15,411	6,915	56,219	32,073
Income derived from Islamic Banking Funds	1	43,137	42,708	169,510	176,963
Writeback of/(Allowances for) impairment on financing and advances - net		165,794	(41,709)	(241,871)	(327,178)
Allowances for impairment on:					
- Financial investments		(251,143)	(182,044)	(255,960)	(178,088)
- Other financial assets		(139)	(52)	(75)	(49)
Provision for commitments and contingencies - (charge)/writeback		(2,439)	(966)	(8,975)	2,433
Total distributable income		396,911	230,573	1,420,930	1,326,334
Income attributable to the depositors and others	2	(193,323)	(175,062)	(750,266)	(777,274)
Income attributable to the investment account holders		(12,942)	(5,750)	(47,845)	(26,612)
Total net income		190,646	49,761	622,819	522,448
Operating expenses		(72,576)	(74,856)	(285,294)	(296,934)
Finance costs		(23,934)	(24,072)	(97,455)	(98,692)
Profit/(Loss) before taxation and zakat		94,136	(49,167)	240,070	126,822
Taxation and zakat		(18,201)	14,214	(51,676)	1,340
Profit/(Loss) for the financial quarter/year		75,935	(34,953)	188,394	128,162

Note:

1 Included the net loss of RM18,555,000 (31 March 2021: RM68,920,000) from measures implemented in response to COVID-19 pandemic.

2 Included a fair value gain of RM18,872,000 (31 March 2021: RM 19,021,000) recognised by AmBank Islamic Berhad from funding obtained from a related company. The funding was obtained for the purposes of providing Special Relief Facility ("SRF") financing at concessionary rate to assist SME businesses adversely impacted by the COVID-19 pandemic.

**AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit/(Loss) for the financial quarter/year	75,935	(34,953)	188,394	128,162
Other comprehensive income:				
<b>Items that may be reclassified subsequently to statement of profit or loss</b>				
Financial investments at fair value through other comprehensive income:				
- net unrealised loss for changes in fair value	(22,733)	(80,688)	(62,083)	(103)
- changes in expected credit loss	(5,164)	(6,405)	(59)	(10,838)
- net gain reclassified to profit or loss	-	(118)	(596)	(2,015)
- tax effect	5,456	19,564	14,873	679
Other comprehensive loss for the financial quarter/year net of tax	(22,441)	(67,647)	(47,865)	(12,277)
Total comprehensive income/(loss) for the financial quarter/year	53,494	(102,600)	140,529	115,885

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

Group	Share capital/ Capital funds RM'000	Non-Distributable		Distributable	
		Regulatory reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total Equity RM'000
<b>At 1 April 2020</b>	1,417,107	71,612	56,249	2,235,026	3,779,994
Profit for the financial year	-	-	-	128,162	128,162
Other comprehensive loss, net	-	-	(12,277)	-	(12,277)
Total comprehensive (loss)/income for the financial year	-	-	(12,277)	128,162	115,885
Transfer to retained earnings <sup>^</sup>	-	(71,612)	-	71,612	-
<b>At 31 March 2021</b>	<b>1,417,107</b>	<b>-</b>	<b>43,972</b>	<b>2,434,800</b>	<b>3,895,879</b>
<b>At 1 April 2021</b>	1,417,107	-	43,972	2,434,800	3,895,879
Profit for the financial year	-	-	-	188,394	188,394
Other comprehensive loss, net	-	-	(47,865)	-	(47,865)
Total comprehensive (loss)/income for the financial year	-	-	(47,865)	188,394	140,529
Transfer to conventional fund*	(30,000)	-	-	(95,424)	(125,424)
Dividend on ordinary shares: - final, financial year ended 31 March 2021	-	-	-	(37,078)	(37,078)
	(30,000)	-	-	(132,502)	(162,502)
<b>At 31 March 2022</b>	<b>1,387,107</b>	<b>-</b>	<b>(3,893)</b>	<b>2,490,692</b>	<b>3,873,906</b>

<sup>^</sup> Bank Negara Malaysia ("BNM") had in March 2020 implemented additional measures in response to COVID-19 pandemic. These measures, amongst others, aim to ensure that the financial intermediation function of the financial sector remains intact and banking institutions remain focused on supporting the economy during these exceptional circumstances. As at 31 March 2021, no regulatory reserve was held against expected losses, one of the drawdown of prudential buffers as allowed by BNM.

\* Relates to Islamic Banking of AmInvestment Bank.

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(a) Financing and Advances**

Financing and advances by type of financing and Shariah contracts are as follows:

<b>Group</b>	<b>Bai' Bithaman</b>		<b>Musharakah</b>	<b>Al-Ijarah Thummah</b>			<b>Total</b>
<b>31.03.2022</b>	<b>Ajil</b>	<b>Murabahah</b>	<b>Mutanaqisah</b>	<b>Al-Bai' (AITAB)</b>	<b>Bai' Inah</b>	<b>Others</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost:</b>							
Cash lines	-	617,679	-	-	578,646	-	1,196,325
Term financing	439,860	12,596,186	8,806	-	1,091,129	20,160	14,156,141
Revolving credit	27,065	3,744,672	-	-	1,128,326	-	4,900,063
Housing financing	2,589,646	8,540,970	43,458	-	-	-	11,174,074
Hire purchase receivables	3	-	-	4,255,450	-	-	4,255,453
Bills receivables	-	630,366	-	-	-	40,342	670,708
Credit card receivables	-	-	-	-	-	447,758	447,758
Trust receipts	-	381,229	-	-	-	-	381,229
Claims on customers under acceptance credits	-	1,784,824	-	-	-	353,913	2,138,737
Staff financing	-	17,862	-	-	-	-	17,862
Others	-	-	-	-	-	9,102	9,102
Gross financing and advances*	3,056,574	28,313,788	52,264	4,255,450	2,798,101	871,275	39,347,452
Allowance for impairment on financing and advances							
- Stage 1 - 12-months ECL							(61,592)
- Stage 2 - Lifetime ECL not credit impaired							(401,419)
- Stage 3 - Lifetime ECL credit impaired							(230,573)
Net financing and advances							<u>38,653,868</u>

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(a) Financing and Advances (Cont'd.)**

Financing and advances by type of financing and Shariah contracts are as follows: (Cont'd.)

Group 31.03.2021 (Restated)	Bai' Bithaman Ajil RM'000	Murabahah RM'000	Musharakah Mutanaqisah RM'000	Al-Ijarah Thummah Al-Bai' (AITAB) RM'000	Bai' Inah RM'000	Others RM'000	Total RM'000
<b>At amortised cost:</b>							
Cash lines	-	586,926	-	-	612,527	-	1,199,453
Term financing	503,991	11,078,280	8,925	-	1,467,826	40,320	13,099,342
Revolving credit	42,065	3,217,574	-	-	1,123,575	-	4,383,214
Housing financing	2,736,494	6,544,595	45,197	-	-	-	9,326,286
Hire purchase receivables	4	-	-	4,003,861	-	-	4,003,865
Bills receivables	-	310,200	-	-	-	23,618	333,818
Credit card receivables	-	-	-	-	-	453,056	453,056
Trust receipts	-	283,607	-	-	-	-	283,607
Claims on customers under acceptance credits	-	1,848,952	-	-	-	259,041	2,107,993
Staff financing	-	12,454	-	-	-	-	12,454
Others	-	-	-	-	-	37,330	37,330
Gross financing and advances*	3,282,554	23,882,588	54,122	4,003,861	3,203,928	813,365	35,240,418
Allowance for impairment on financing and advances							
- Stage 1 - 12-months ECL							(143,487)
- Stage 2 - Lifetime ECL not credit impaired							(401,459)
- Stage 3 - Lifetime ECL credit impaired							(101,634)
Net financing and advances							<u>34,593,838</u>

\* Included in financing and advances are exposures to the Restricted Investment Account ("RA") arrangements between AmBank Islamic and AmBank. Under the RA contract, the profit is shared based on a pre-agreed ratio. AmBank is exposed to the risks and rewards on the RA financing and it had accounted for all allowances for impairment arising from the RA financing.

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(a) Financing and Advances (Cont'd.)**

(i) Movements in impaired financing and advances are as follows:

	Group	
	31.03.2022 RM'000	31.03.2021 RM'000
Balance at beginning of the financial year	613,074	615,350
Additions during the financial year	718,754	385,160
Reclassified to non-impaired financing	(77,186)	(19,613)
Recoveries	(337,277)	(221,495)
Amount written off	(288,823)	(146,328)
Balance at end of the financial year	<u>628,542</u>	<u>613,074</u>
Gross impaired financing and advances as % of total gross financing and advances	<u>1.60%</u>	<u>1.74%</u>
Financing loss coverage (including regulatory reserve)	<u>114.3%</u>	<u>108.0%</u>

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

Group 31.03.2022	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Balance at beginning of the financial year	143,487	401,459	101,634	646,580
Net (writeback of)/allowances for ECL	(81,909)	(42)	417,762	335,811
- Transfer to 12-month ECL (Stage 1)	2,625	(28,659)	(1,070)	(27,104)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(4,581)	37,018	(7,784)	24,653
- Transfer to Lifetime ECL credit impaired (Stage 3)	(542)	(18,470)	22,179	3,167
New financial assets originated	20,276	16,949	1,279	38,504
Net remeasurement of allowances	(37,662)	26,473	426,783	415,594
Changes in model assumptions and methodologies	(47,158)	(13,962)	-	(61,120)
Modification of contractual cash flows of financial assets	(374)	3,248	(484)	2,390
Financial assets derecognised	(14,493)	(22,639)	(23,141)	(60,273)
Foreign exchange differences	14	2	-	16
Amount written-off	-	-	(288,823)	(288,823)
Balance at end of the financial year	<u>61,592</u>	<u>401,419</u>	<u>230,573</u>	<u>693,584</u>

Note:

1 As at 31 March 2022, the gross exposure (including profit receivable) relating to RA financing amounted to RM1,713.8 million (31 March 2021: RM719.5 million). ECL allowance for the RA financing which amounted to RM2.2 million (31 March 2021: RM1.9 million) is taken up by AmBank.

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(a) Financing and Advances (Cont'd.)**

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

Group 31.03.2021 (Restated)	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Balance at beginning of the financial year	101,638	167,791	97,049	366,478
- as previously stated				
- reclassification	(409)	-	-	(409)
Balance at beginning of the financial year, as restated	101,229	167,791	97,049	366,069
Net allowances for ECL	42,238	233,669	150,913	426,820
- Transfer to 12-month ECL (Stage 1)	3,805	(19,740)	(329)	(16,264)
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(10,809)	80,382	(4,956)	64,617
- Transfer to Lifetime ECL credit impaired (Stage 3)	(518)	(6,739)	31,853	24,596
New financial assets originated	24,850	66,108	1,849	92,807
Net remeasurement of allowances	42,333	148,916	149,374	340,623
Changes in model assumptions and methodologies	(5,364)	(18,331)	-	(23,695)
Modification of contractual cash flows of financial assets	36	1,424	(29)	1,431
Financial assets derecognised	(12,095)	(18,351)	(26,849)	(57,295)
Foreign exchange differences	20	(1)	-	19
Amount written-off	-	-	(146,328)	(146,328)
Balance at end of the financial year	143,487	401,459	101,634	646,580

**(b) Deposits From Customers**

	Group	
	31.03.2022 RM'000	31.03.2021 RM'000
By type of deposit:		
Savings deposits		
<i>Commodity Murabahah</i>	3,850,631	3,169,111
<i>Qard</i>	146,823	83,621
Demand deposits		
<i>Commodity Murabahah</i>	9,587,153	9,012,721
<i>Qard</i>	861,168	443,683
Term deposits		
<i>Commodity Murabahah</i>	22,994,199	28,786,399
<i>Qard</i>	150,276	236,976
	<u>37,590,250</u>	<u>41,732,511</u>

The deposits are sourced from the following types of customers:

	Group	
	31.03.2022 RM'000	31.03.2021 RM'000
Business enterprises	22,820,946	27,148,886
Government and statutory bodies	3,180,849	4,429,701
Individuals	10,600,240	9,164,941
Others	988,215	988,983
	<u>37,590,250</u>	<u>41,732,511</u>

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(b) Deposits From Customers (Cont'd.)**

The maturity structure of term deposits are as follows:

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Due within six months	18,084,514	24,293,982
Over six months to one year	4,774,000	4,104,731
Over one year to three years	214,910	614,839
Over three years to five years	71,051	9,823
	<u>23,144,475</u>	<u>29,023,375</u>

**(c) Investment Accounts Of Customers**

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Unrestricted investment accounts:		
Without maturity		
- Wakalah	16,573	18,342
With maturity		
- Mudarabah	361,288	76,492
	<u>377,861</u>	<u>94,834</u>

The investment accounts are sourced from the following types of customers:

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Business enterprises	354,618	68,200
Individuals	23,243	26,634
	<u>377,861</u>	<u>94,834</u>

	Group	
	31.03.2022	31.03.2021
	RM'000	RM'000
Investment asset:		
Interbank placement (Wakalah)	16,573	18,342
Housing financing (Mudarabah)	361,288	76,492
Total investment	<u>377,861</u>	<u>94,834</u>

Average Profit Rate of Return and Average Performance Incentive Fee for the investment accounts are as follows:

	Investment account holder		
	Average profit sharing ratio (%)	Average rate of return (%)	Average performance incentive fee (%)
<b>31.03.2022</b>			
Maturity			
less than 3 months	53.12	1.92	1.75
over 3 months to 1 year	54.01	2.16	-
<b>31.03.2021</b>			
Maturity			
less than 3 months	52.46	1.79	1.89
over 3 months to 1 year	66.13	2.73	-

**A37. OPERATIONS OF ISLAMIC BANKING (CONT'D.)**

**(d) Investment Account Due to A Licensed Bank**

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Restricted investment account ("RA")</u>		
- Mudarabah Muqayyadah	1,710,663	718,034
Investment asset:		
Financing	1,710,663	718,034
<b>Total investment</b>	<b>1,710,663</b>	<b>718,034</b>

The RA is a contract based on the Shariah concept of Mudarabah between two parties, that is, capital provider and entrepreneur to finance a business venture where the business venture is managed solely by AmBank Islamic as the entrepreneur. The profit of the business venture is shared between both parties based on a pre-agreed ratio. Losses shall be borne solely by the capital provider. The capital provider for the RA contracts is AmBank, a related company.

On 11 May 2021, AmBank Islamic entered into a new contract with AmBank for the sum of RM1.0 billion. This contract is for a period of 7 years.

As at 31 March 2022, the tenure of the RA contracts is for a period ranging between 8 months to 8 years (31 March 2021: 1 year to 9 years).

Profit Sharing Ratio and Average Rate of Return for the investment account based on original contractual maturity are as follows:

	<b>31.03.2022</b>		<b>31.03.2021</b>	
	<b>Profit sharing ratio</b>	<b>Average rate of return</b>	<b>Profit sharing ratio</b>	<b>Average rate of return</b>
	(%)	(%)	(%)	(%)
Maturity:				
over 2 years to 5 years	90	2.64	90	2.94
more than 5 years	90	2.80	90	3.91

**(e) Other Liabilities**

	<b>Group</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Other payables and accruals	354,912	234,456
Deferred income	16,022	18,997
Lease liabilities	2,092	2,341
Provision for reinstatement of leased properties	82	81
Provision for zakat and taxation	2,130	13,268
Provision for commitments and contingencies	-	300
Allowances for ECL on financing commitments and financial guarantees	24,808	15,831
Security deposit and advance payment for financing and advances	11,354	10,736
	<b>411,400</b>	<b>296,010</b>



### A38. RESTATEMENT OF COMPARATIVE INFORMATION

During the current financial year, the Group conducted a review on the classification of its unrated bonds and sukuk and reclassified the instruments from loans, advances and financing to financial investments at amortised cost to align the presentation of its debt securities as financial investments. The reclassification resulted in changes to the comparative financial information to conform with current year's presentation, which resulted in the following financial effects to the statements of the Group:

Group	As previously reported RM'000	Reclassification RM'000	As restated RM'000
<b>As at 31 March 2021</b>			
<b>(i) Reconciliation of statements of financial position</b>			
Financial investments at amortised cost	4,192,424	1,851,050	6,043,474
Loans, advances and financing	112,478,319	(1,861,815)	110,616,504
Other assets	2,441,436	10,765	2,452,201
	<u>2,441,436</u>	<u>10,765</u>	<u>2,452,201</u>
<b>(ii) Reconciliation of statement of profit or loss</b>			
<b>Individual Quarter</b>			
Allowances for impairment on loans, advances and financing	455,409	(202,633)	252,776
Allowances for impairment on financial investments	1,584	202,633	204,217
	<u>1,584</u>	<u>202,633</u>	<u>204,217</u>
<b>Cumulative Quarter</b>			
Allowances for impairment on loans, advances and financing	1,116,936	(203,701)	913,235
(Writeback of)/Allowances for impairment on financial investments	(8,476)	203,701	195,225
	<u>(8,476)</u>	<u>203,701</u>	<u>195,225</u>
<b>(iii) Reconciliation of statements of cash flows</b>			
Cash flows from operating activities:			
Add adjustments for:			
Other non-operating and non-cash items	256,653	203,701	460,354
Allowance for expected credit losses on loans, advances and financing, net	1,468,550	(203,701)	1,264,849
	<u>1,468,550</u>	<u>(203,701)</u>	<u>1,264,849</u>
(Increase)/Decrease in operating assets:			
Loans, advances and financing	(8,300,005)	2,065,516	(6,234,489)
Other assets	500,104	(10,765)	489,339
	<u>500,104</u>	<u>(10,765)</u>	<u>489,339</u>
Cash flows from investing activities:			
Disposal of financial investments	2,715,005	(2,054,751)	660,254
	<u>2,715,005</u>	<u>(2,054,751)</u>	<u>660,254</u>
<b>Islamic Banking Business</b>			
<b>As at 31 March 2021</b>			
<b>(i) Reconciliation of statement of financial position</b>			
Financial investments at amortised cost	1,392,155	794,872	2,187,027
Financing and advances	35,389,517	(795,679)	34,593,838
Other assets	342,261	807	343,068
	<u>342,261</u>	<u>807</u>	<u>343,068</u>
<b>(ii) Reconciliation of statement of profit or loss</b>			
<b>Individual Quarter</b>			
Allowances for impairment on financing and advances	229,815	(188,106)	41,709
(Writeback of)/Allowances for impairment on financial investments	(6,062)	188,106	182,044
	<u>(6,062)</u>	<u>188,106</u>	<u>182,044</u>
<b>Cumulative Quarter</b>			
Allowances for impairment on financing and advances	515,864	(188,686)	327,178
(Writeback of)/Allowances for impairment on financial investments	(10,598)	188,686	178,088
	<u>(10,598)</u>	<u>188,686</u>	<u>178,088</u>

**Part B - Explanatory Notes Pursuant to Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements**

**B1. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP**

Table 1: Financial review for current quarter and financial year to date

	Group				Group			
	Individual Quarter		Changes		Cumulative Quarter		Changes	
	31.03.2022 RM'000	31.03.2021 RM'000	Amount RM'000	%	31.03.2022 RM'000	31.03.2021 RM'000	Amount RM'000	%
Operating profit before impairment losses and settlement	565,851	604,682	(38,831)	(6.4)	2,570,788	2,420,220	150,568	6.2
Impairment of goodwill	-	(1,789,153)	1,789,153	>(100.0)	-	(1,789,153)	1,789,153	>(100.0)
Impairment of investment in associate	-	(147,819)	147,819	-	(4,625)	(147,819)	143,194	(96.9)
Settlement	-	(2,830,000)	2,830,000	>(100.0)	-	(2,830,000)	2,830,000	>(100.0)
Profit/(Loss) before taxation and zakat	514,403	(4,654,517)	5,168,920	>(100.0)	1,804,745	(3,483,499)	5,288,244	>(100.0)
Profit/(Loss) for the financial year	417,934	(4,669,551)	5,087,485	>(100.0)	1,594,939	(3,712,094)	5,307,033	>(100.0)
Profit/(Loss) attributable to equity holders of the Company	391,750	(4,692,781)	5,084,531	>(100.0)	1,502,682	(3,826,466)	5,329,148	>(100.0)

**Financial year to date - Cumulative period ended 31 March 2022 compared to 31 March 2021**

For the financial period under review, the Group's fund based income from interest bearing assets increased mainly from interest on customer lending and interest on deposit offset by decreased in interest on fixed income securities. Non-interest income decreased compared to same period last year.

Funding costs decreased attributable to lower interest expense on deposits from customers.

Fee based income recorded an increase of RM27.8 million mainly due to higher fees on loans and securities offset by lower asset and fund management and brokerage fees. Market based income decreased from lower gains on sale of securities, revaluation on trading securities and trading in foreign exchange offset by higher gains on derivatives.

Net income from insurance business decreased mainly due to lower net earned premium and higher commission paid offset by lower insurance claims.

The Group's associates and joint ventures recorded higher profits as reflected in the share of profits of RM44.1 million compared to RM43.8 million in prior year same period.

Total operating expenses decreased by 1.8% compared to same period last year. The decrease was mainly due to decrease in marketing, administration and establishment expenses partly offset by higher personnel expenses. The Group's cost to income ratio had improved to 44.9% from 46.8% a year ago.

Credit costs recorded a lower charge for this financial year attributable to lower allowances for impairment on loans, advances and financing offset by lower recoveries from loans, advances and financing, higher provision for commitments and contingencies and higher allowances for impairment on financial investments.

Profit before taxation and zakat for the current financial year was higher at RM1,804.7 million compared to adjusted profit before taxation and zakat of RM1,135.7 million a year ago (after adjusted for impairment of goodwill RM1,789.2m and settlement of RM2,830.0 million), an increase of RM669.0 million (58.9%). Profit for the financial year increased by RM687.8 million to RM1,594.9 million compared to adjusted profit of RM907.1 million a year ago.

## **B1. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP (CONT'D.)**

### **Commentary on key components of financial position**

The Group's core interest bearing assets namely loans, advances and financing recorded a growth in gross balances by RM7.3 billion from 31 March 2021 to RM120.0 billion. The Group's impaired loans ratio was at 1.40%.

Deposits from customers was higher compared to 31 March 2021 at RM122.6 billion. Low cost deposits which constituted 35.2% of total deposits from customers increased compared to 29.7% as at 31 March 2021.

### **Liquidity and capital strength**

The Group is well-positioned to meet and comply with regulatory requirements. Its banking subsidiaries recorded Liquidity Coverage ratios in excess of minimum requirements. The Group's capital adequacy ratio is strong at 15.32% at the end of the reporting year.

### **Divisional performance**

#### **Retail Banking (FY2022: RM675.6 million vs FY2021: RM199.0 million)**

Profit before tax ("PBT") increased by RM476.6 million mainly driven by higher net income, lower other operating expenses and lower net impairment.

Net income increased by RM75.2 million mainly from higher margin, partly offset by lower volume impact and lower fee income from Wealth. Lower other operating expenses mainly due to lower marketing spend, depreciation costs and lower service transfer pricing ("STP") expenses. Lower net impairment mainly from provision on loans, advances and financing, coupled with provision for commitments and contingencies.

Retail deposits increased by RM6.6 billion (13.9%) to RM54.1 billion from all deposits type. Gross loans, advances and financing grew by RM3.6 billion (5.6%) to close at RM68.4 billion mainly attributed by Mortgages, Personal Financing and Retail SME, offset by Auto Finance.

#### **Business Banking (FY2022: RM361.1 million vs FY2021: RM293.5 million)**

PBT increased by RM67.6 million mainly from higher net income and lower net impairment, partly offset by higher other operating expenses.

Higher net income mainly from higher net finance income due to higher business volume and margin impact. Higher other operating expenses mainly due to higher personnel costs. Lower net impairment arising from lower provision for commitments and contingencies, partially offset by higher provision on loans, advances and financing.

Business Banking deposits increased by RM2.9 billion to RM15.3 billion from both current accounts and fixed deposits, while gross loans, advances and financing grew by RM1.5 billion (8.4%) to close at RM18.7 billion.

#### **Corporate Banking (FY2022: Loss of RM508.2 million vs FY2021: Profit of RM185.5 million)**

PBT decreased by RM693.7 million mainly due to higher net impairment, partly offset by higher net income and lower other operating expenses.

Net income increased by 9.0% due to higher net finance income from higher margin and volume, coupled with higher loan related fees income. Higher net impairment mainly from higher provision on financial investments.

Corporate Banking gross loans, advances and financing increased by RM2.2 billion to close at RM31.1 billion, while deposits increased by RM1.4 billion to close at RM15.6 billion.

#### **Group Treasury and Markets (FY2022: RM527.6 million vs FY2021: RM680.3 million)**

PBT decreased by RM152.7 million mainly from lower net income, partially offset by lower other operating expenses and writeback of net impairment.

Net income decreased by 21.3% mainly due to lower gain from fixed income trading, derivatives and forex trading, coupled with lower volume impact, partially offset by higher margin.

## B1. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP (CONT'D.)

### Divisional performance (Cont'd.)

#### Investment Banking (FY2022: RM113.9 million vs FY2021: RM94.8 million)

PBT increased by RM19.1 million mainly from higher net income, lower other operating expenses and higher writeback of net impairment from higher recoveries.

Net income increased by RM7.7 million from higher net finance income due to higher net interest margin ("NIM") and volume, offset by lower other income from lower brokerage fees.

#### Fund Management (FY2022: RM82.1 million vs FY2021: RM72.1 million)

PBT increased by RM10.0 million mainly from higher management fees, partly offset by higher other operating expenses.

#### Insurance (FY2022: RM253.5 million vs FY2021: RM305.5 million)

Insurance PBT decreased by RM52.0 million mainly from lower net income and lower writeback of net impairment, partially offset by lower other operating expenses.

#### Group Funding & Others (FY2022: Profit of RM299.2 million vs FY2021: Loss of RM5,314.2 million)

Higher profit before tax mainly due to loss in FY2021 from Settlement of RM2.83 billion, impairment in goodwill and REITs of RM1.9 billion, coupled with measure implemented in response to COVID-19 and this year lower net impairment, partially offset by higher other operating expenses.

## B2. REVIEW OF MATERIAL CHANGES IN PROFIT BEFORE TAXATION

Table 2: Financial review for current quarter compared with immediate preceding quarter

	Group			
	Individual Quarter		Changes	
	31.03.2022	31.12.2021	Amount	%
	RM'000	RM'000	RM'000	%
Operating profit before impairment losses and settlement	565,851	654,387	(88,536)	(13.5)
Profit before taxation and zakat	514,403	316,920	197,483	62.3
Profit for the financial quarter	417,934	416,789	1,145	0.3
Profit attributable to equity holders of the Company	391,750	403,290	(11,540)	(2.9)

### Current quarter compared to immediate preceding quarter

For the financial quarter under review, the Group's fund based income from interest bearing assets decreased mainly from interest on customer lending. Non-interest income decreased compared to last quarter.

Funding costs increased attributable to higher interest on deposits from customers and recourse obligation on loans and financing sold to Cagamas Berhad.

Overall other operating income decreased for this quarter compared to preceding quarter due to lower gains from revaluation of securities.

Total operating expenses increased by 5.4% compared to preceding quarter mainly due to increase in personnel and marketing expenses offset by lower establishment and administration expenses.

Credit costs decreased due to lower impairment allowances for loans, advances and financing offset by higher recoveries from loans, advances and financing.

Against the preceding quarter, profit before taxation and zakat for the current quarter is higher at RM514.4 million, an increase of RM197.5 million (62.3%). Profit for the quarter increased by RM1.1 million to RM417.9 million compared to preceding quarter.

### B3. PROSPECTS FOR THE NEXT FINANCIAL YEAR END

Quarter 1, 2022 Gross Domestic Products ("GDP") improved further versus quarter 4, 2021. In quarter 1, 2022, overall GDP grew by 5.0% year-on-year after reporting a growth of 3.6% year-on-year in quarter 4, 2021. Looking at the monthly economic performance, the economy expanded by 4.3% year-on-year in January 2022, 5.2% year-on-year in February 2022 and 5.4% year-on-year in March 2022, exhibiting an improving trend. A better performance in quarter 1, 2022 was due to the full reopening across all sectors in the economy, including less stringent standard operating procedures and high vaccination and booster rates.

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

However, downside risk to our growth target remains. Besides domestic challenges, the Malaysian economy is still vulnerable to external shocks such as slower-than-expected economic growth, new variants from the COVID that leads to lockdown or strategic movement control orders, rising global inflation which results to erosion of disposable income, geopolitical tensions, and others. On that note, we foresee 2022's full year gross domestic product growth to reach 5.6% year-on-year with the downside of 4.8% and an upside of 6.0%.

Going into 2022, the inflation rate has been moderating to 2.2% (January to March average) since it peaked April last year at 4.7% which marked a four-year high, yet it is still higher than last year's January to March reading of 0.5%. Looking ahead, dissipating of low base, tepid domestic activities, the extension of ceiling price on RON95 and diesel pump price, and government's financial assistance in food prices should help contain strong surge in inflation.

But the upwards pressure still remains from cost-push dynamics induced by higher commodity prices and worsening global supply chain disruptions that would inevitably result to transfer pricing to consumers. For the year 2022, we expect the annual inflation rate to hover around 2.8% to 3.0%.

Meanwhile, the overall banking system loans grew 4.6% year-on-year in March 2022, slightly slower than 4.7% in February 2022. Household loans grew faster by 4.9% year-on-year (February 2022: 4.7%), while being offset by the much slower non-household loan growth of 4.0% year-on-year (February 2022: 4.7%). We envisaged that the industry's loans growth to reach 4.0% to 5.0% for the full year 2022.

The overall banking system remains healthy at the start of 2022 underpinned by strong liquidity. Liquidity coverage ratio stayed above the 100% regulatory requirement in March at 151% (end 2021 was at 153.8%). Funding profiles was well-diversified with March's loan-to-fund ratio and loan-to-fund-and-equity ratio was at 81.6% and 70.9% (End-2021 was at 81.2% and 70.9% respectively).

Although our headline inflation remains manageable, mainly driven by the cost side, a rate hike by BNM would help mitigate the potential interest rates differential. This would provide support to the Ringgit against the US dollar and in turn provide some cushioning to inflation namely coming from the import segments. We are now pricing 50 basis points ("bps") to 75bps in total this year to address the interest rates differential and risk of potential inflationary expectations. For 2022, the global economic recovery progresses may have been thwarted by the Ukraine-Russia tension, Russian sanctions and China's implementation of stricter Zero Covid Policy, which can further exacerbate the supply bottleneck, and global central banks' tightening policy path. These factors are tilting the global outlook towards the downside and forcing us to revise growth projection to 3.6% from 4.6%.

The BNM has made its first rate hike move this year in May 2022, beating market's expectation, and is likely to continue rising its Overnight Policy Rate moving forward. We expect BNM to revise upwards the policy rate by another one or two 25 bps in second half 2022 if the future incoming data allows for it. Any risk of Statutory Reserve Requirement hike by 50bps to 100bps in 2022 depends on how the liquidity influences the banking environment.

Malaysia's gradual transition from the pandemic phase of COVID-19 to the endemic phase of COVID-19 starting from 1 April 2022 gave fresh momentum to its economic growth, supported by a timely surge in both domestic and global demand.

The government's Financial Management and Resilience Program ("URUS") came to an end on 31 March 2022 but we continue to extend financial assistance, under the AmBank Remedial Programme, to customers who are still in need.

The Group remained resilient in the face of adversities and end the year on strong financial footing. This was due to the Group's relentless efforts in growing revenue, rebuilding capital and shoring up liquidity levels while closely monitoring asset quality and exerting cost discipline. The Group also aims to support Malaysia's economic recovery by facilitating the funding needs of businesses looking to capitalize on the rebounding economy in the coming year. Above all, the Group remains steadfast in its key objective of creating sustainable long-term value for all its stakeholders.

**B3. PROSPECTS FOR THE NEXT FINANCIAL YEAR END (CONT'D.)**

Now at its halfway mark, the Group recalibrated its FY21 - FY24 Focus 8 strategy to adapt to new paradigm shifts in the increasingly dynamic banking industry landscape, especially in the area of digitalisation. This includes initiatives focusing on driving digital offerings and leveraging on data analytics to enhance customers' experience, as well as initiatives supporting the notion of climate change by extending our range of 'green product' offerings and raising environmental, social and governance ("ESG") awareness through sustainable practices.

**B4. VARIANCE FROM PROFIT FORECAST AND SHORTFALL FROM PROFIT GUARANTEE**

This is not applicable to the Group.

**B5. TAXATION AND ZAKAT**

Group	Individual Quarter		Cumulative Quarter	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	140,479	77,297	502,805	362,462
Deferred tax	(5,281)	(55,799)	(22,426)	(134,769)
	<u>135,198</u>	<u>21,498</u>	<u>480,379</u>	<u>227,693</u>
Over provision of current taxation in respect of prior years	(38,467)	(6,192)	(38,189)	(116)
Tax effect relating to the Settlement	-	-	(234,552)	-
Taxation	<u>96,731</u>	<u>15,306</u>	<u>207,638</u>	<u>227,577</u>
Zakat	(262)	(272)	2,168	1,018
Taxation and zakat	<u>96,469</u>	<u>15,034</u>	<u>209,806</u>	<u>228,595</u>

The total tax charge of the Group for the financial year ended 31 March 2022 reflects an effective tax rate which is lower than the statutory tax rate mainly due to reversal of over provision of income tax in respect of prior years and income not subject to tax, slightly offset by the effect of additional tax resultant from the introduction of Cukai Makmur.

The total tax charge of the Group for the financial year ended 31 March 2021 reflects an effective tax rate which is higher than the statutory tax rate mainly due to restricted and non-deductibility of expenses for tax purposes.

**B6. BORROWINGS AND DEBT SECURITIES**

Group	Long term*		Short term*		Total	
	Foreign denomination USD'000	RM denomination RM'000	Foreign denomination USD'000	RM denomination RM'000	Foreign denomination USD'000	RM denomination RM'000
	<b>31.03.2022</b>					
<b>Unsecured</b>						
Term funding	100,000	1,653,638 #	-	226,459	100,000	1,880,097
Debt capital	-	3,300,000	-	1,095,000	-	4,395,000
<b>31.03.2021</b>						
<b>Unsecured</b>						
Term funding	100,000	1,037,367 #	-	712,503	100,000	1,749,870
Debt capital	-	3,795,000	-	500,000	-	4,295,000

Borrowings denominated in foreign currencies have not been hedged to RM; AmBank's US Dollar debts are maintained in the originating currency for purpose of funding the US Dollar balance sheet.

# As at 31 March 2022 and 31 March 2021, USD100 million term loan drawdown to be utilised for diversifying the sources of funding the growth of the USD balance sheet.

\* remaining contractual maturity

Detailed explanations on the material changes to the borrowings (excluding structured deposits, Credit-Linked Notes and term loans) and debt securities as at the current year to-date compared with the corresponding period in the immediate preceding year:

Month of Issuance/ Redemption	Entity	Note/ Sukuk type and tenor	Nominal value RM'000	Weighted average interest/ profit rate %	Net interest/ profit savings per annum for redemption RM'000
December 2021 - Issuance	AmBank	Senior Notes Series 1 - 1.5 years	150,000	2.94	-
December 2021 - Issuance	AmBank	Senior Notes Series 2 - 2 years	250,000	3.14	-
December 2021 - Redemption	AmBank Islamic	Subordinated Sukuk Murabahah - 10 years	10,000	5.50	550
March 2022 - Issuance	AmBank	Subordinated Note Tier 2 - 10 years	600,000	4.30	-
March 2022 - Redemption	AmBank	Subordinated Note Tier 2 - 10 years	500,000	5.20	26,000
March 2022 - Issuance	AmBank Islamic	Subordinated Sukuk Murabahah - 10 years	250,000	4.25	-
March 2022 - Redemption	AmBank Islamic	Senior Sukuk Musharakah - 2 years	200,000	3.55	7,100

#### B6. BORROWINGS AND DEBT SECURITIES (CONT'D.)

Detailed explanations on the material changes to the borrowings and debt securities as at the current year to-date compared with the corresponding period in the immediate preceding year: (Cont'd.)

Month of Issuance/ Redemption	Entity	Note/ Sukuk type and tenor	Nominal value RM'000	Weighted average interest/ profit rate %	Net interest/ profit savings per annum for redemption RM'000
March 2022 - Redemption	AmBank Islamic	Subordinated Sukuk Murabahah - 10 years	240,000	5.20	12,480

Borrowing and debt securities issued are for purposes of working capital, investment, enhancing capital position and other general funding requirements of the Company and its banking subsidiaries.

#### B7. MATERIAL LITIGATION

The Group and the Company do not have any material litigation which would materially affect the financial position of the Group and the Company. For other litigations, please refer to Note A31.

#### B8. DIVIDENDS

A proposed final cash dividend of 5.0 sen per share for the financial year ended 31 March 2022 has been recommended by the directors.

#### B9. DERIVATIVE FINANCIAL INSTRUMENTS

Please refer to Note A32.

#### B10. EARNINGS/(LOSS) PER SHARE (SEN)

(a) Basic/Diluted earnings/(loss) per share

The basic/diluted earnings/(loss) per share of the Group is calculated by dividing the net profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial quarter excluding the weighted average of shares bought back held as treasury shares.

	Individual Quarter		Cumulative Quarter	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net profit/(loss) attributable to equity holders of the Company (RM'000)	391,750	(4,692,781)	1,502,682	(3,826,466)
Weighted average number of ordinary shares in issue ('000)	3,311,035	3,008,244	3,299,721	3,007,723
Basic/diluted earnings/(loss) per share (Sen)	11.83	(156.00)	45.54	(127.22)