

Registration No. 196901000166 (8515-D)

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

Condensed Interim Financial Statements
For the Financial Period
1 April 2022 to
30 June 2022
(In Ringgit Malaysia)

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	Group		Bank	
		30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
ASSETS					
Cash and short-term funds	A8	7,396,461	9,894,325	7,374,714	9,874,911
Deposits and placements with banks and other financial institutions	A9	2,446,130	2,184,788	2,446,130	2,184,788
Investment account placement	A10	1,557,031	1,708,484	1,557,031	1,708,484
Derivative financial assets		1,086,497	832,821	1,086,497	832,821
Financial assets at fair value through profit or loss	A11	4,174,073	2,675,904	4,174,038	2,675,869
Financial investments at fair value through other comprehensive income	A12	15,358,602	14,339,584	15,358,602	14,339,584
Financial investments at amortised cost	A13	6,825,464	5,929,515	6,825,464	5,929,515
Loans and advances	A14	78,319,642	78,817,487	78,287,808	78,784,319
Statutory deposit with Bank Negara Malaysia		261,231	200,000	261,231	200,000
Deferred tax assets		137,862	139,318	137,862	139,318
Investment in subsidiaries		-	-	30,964	30,964
Investment in associates		15,838	15,597	19,617	19,617
Other assets	A15	1,956,117	1,819,943	1,956,208	1,820,212
Property and equipment		144,345	151,787	126,359	133,683
Right-of-use assets		201,716	172,789	203,061	174,238
Intangible assets		213,990	221,538	213,990	221,538
TOTAL ASSETS		120,094,999	119,103,880	120,059,576	119,069,861
LIABILITIES AND EQUITY					
Deposits from customers	A16	81,777,368	85,856,896	81,790,991	85,870,989
Deposits and placements of banks and other financial institutions	A17	9,615,437	7,377,743	9,624,695	7,387,387
Securities sold under repurchase agreements		4,773,341	1,582,717	4,773,341	1,582,717
Recourse obligation on loans sold to Cagamas Berhad		6,150,013	6,875,023	6,150,013	6,875,023
Derivative financial liabilities		986,279	806,634	986,279	806,634
Term funding		1,074,070	1,045,260	1,074,070	1,045,260
Debt capital		3,095,000	3,095,000	3,095,000	3,095,000
Other liabilities	A18	2,374,529	2,382,585	2,363,776	2,371,270
TOTAL LIABILITIES		109,846,037	109,021,858	109,858,165	109,034,280
Share capital		3,040,465	3,040,465	3,040,465	3,040,465
Reserves		7,208,351	7,041,411	7,160,946	6,995,116
Equity attributable to equity holder of the Bank		10,248,816	10,081,876	10,201,411	10,035,581
Non-controlling interests		146	146	-	-
TOTAL EQUITY		10,248,962	10,082,022	10,201,411	10,035,581
TOTAL LIABILITIES AND EQUITY		120,094,999	119,103,880	120,059,576	119,069,861
COMMITMENTS AND CONTINGENCIES	A33	105,366,800	113,360,229	105,446,850	113,437,579
NET ASSETS PER SHARE (RM)		10.79	10.61	10.74	10.56

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Note	Individual Quarter		Cumulative Quarter	
		30 June 2022	30 June 2021 (Restated)	30 June 2022	30 June 2021 (Restated)
Group		RM'000	RM'000	RM'000	RM'000
Interest income	A19	1,048,949	975,297	1,048,949	975,297
Interest expense	A20	(481,939)	(436,242)	(481,939)	(436,242)
Net interest income		567,010	539,055	567,010	539,055
Other operating income	A21	141,008	156,842	141,008	156,842
Share in results of an associate		241	(518)	241	(518)
Net income		708,259	695,379	708,259	695,379
Other operating expenses	A22	(339,151)	(305,288)	(339,151)	(305,288)
Operating profit		369,108	390,091	369,108	390,091
Allowance for impairment on loans and advances	A23	(2,618)	(96,062)	(2,618)	(96,062)
Provision for commitments and contingencies		(5,047)	(3,540)	(5,047)	(3,540)
Writeback of allowance/(allowance) for impairment on:					
Financial investments	A24	2,500	(3,762)	2,500	(3,762)
Other financial assets	A25	595	(2,005)	595	(2,005)
Other recoveries		3	5	3	5
Profit before taxation		364,541	284,727	364,541	284,727
Taxation		(78,522)	(68,419)	(78,522)	(68,419)
Profit for the financial period		286,019	216,308	286,019	216,308
Attributable to:					
Equity holder of the Bank		286,019	216,308	286,019	216,308
Non-controlling interests		-	-	-	-
Profit for the financial period		286,019	216,308	286,019	216,308
Earnings per share (sen)					
Basic/Diluted	A26	30.11	23.53	30.11	23.53

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

Group	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit for the financial period	286,019	216,308	286,019	216,308
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to statement of profit or loss				
<u>Equity Instruments</u>				
Financial investments at fair value through other comprehensive income				
- net unrealised (loss)/gain on changes in fair value	(4,374)	1,684	(4,374)	1,684
Tax effect	(440)	(1,101)	(440)	(1,101)
Items that may be reclassified subsequently to statement of profit or loss				
Currency translation on offshore operations	12,581	526	12,581	526
Cash flow hedge				
- (loss)/gain arising during the financial period	-	564	-	564
- amortisation of fair value changes of terminated hedge	1,576	2,771	1,576	2,771
Tax effect	(378)	(800)	(378)	(800)
<u>Debt instruments</u>				
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(165,982)	32,710	(165,982)	32,710
- net gain reclassified to profit or loss	(83)	(953)	(83)	(953)
- (writeback of allowance)/allowance for expected credit losses ("ECL")	(1,834)	6,637	(1,834)	6,637
- foreign exchange differences	(1)	-	(1)	-
Tax effect	39,856	(6,228)	39,856	(6,228)
Other comprehensive (loss)/income, net of tax	(119,079)	35,810	(119,079)	35,810
Total comprehensive income for the financial period, net of tax	166,940	252,118	166,940	252,118
Attributable to:				
Equity holder of the Bank	166,940	252,118	166,940	252,118
Non-controlling interests	-	-	-	-
	166,940	252,118	166,940	252,118

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Note	Individual Quarter		Cumulative Quarter	
		30 June 2022 RM'000	30 June 2021 (Restated) RM'000	30 June 2022 RM'000	30 June 2021 (Restated) RM'000
Bank					
Interest income	A19	1,047,933	974,082	1,047,933	974,082
Interest expense	A20	(481,989)	(436,288)	(481,989)	(436,288)
Net interest income		565,944	537,794	565,944	537,794
Other operating income	A21	140,859	171,667	140,859	171,667
Net income		706,803	709,461	706,803	709,461
Other operating expenses	A22	(339,023)	(305,176)	(339,023)	(305,176)
Operating profit		367,780	404,285	367,780	404,285
Allowance for impairment on loans and advances	A23	(2,702)	(96,066)	(2,702)	(96,066)
Provision for commitments and contingencies		(5,044)	(3,551)	(5,044)	(3,551)
Writeback of allowance/(allowance) for impairment on:					
Financial investments	A24	2,500	(3,762)	2,500	(3,762)
Other financial assets	A25	595	(2,005)	595	(2,005)
Associate		-	(12,683)	-	(12,683)
Other recoveries		3	5	3	5
Profit before taxation		363,132	286,223	363,132	286,223
Taxation		(78,212)	(67,993)	(78,212)	(67,993)
Profit for the financial period		284,920	218,230	284,920	218,230
Earnings per share (sen)					
Basic/Diluted	A26	29.99	23.74	29.99	23.74

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Bank				
Profit for the financial period	284,920	218,230	284,920	218,230
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to statement of profit or loss				
<u>Equity Instruments</u>				
Financial investments at fair value through other comprehensive income				
- net unrealised (loss)/gain on changes in fair value	(4,374)	1,684	(4,374)	1,684
Tax effect	(440)	(1,101)	(440)	(1,101)
Items that may be reclassified subsequently to statement of profit or loss				
Currency translation on offshore operations	12,570	521	12,570	521
Cash flow hedge				
- (loss)/gain arising during the financial period	-	564	-	564
- amortisation of fair value changes of terminated hedge	1,576	2,771	1,576	2,771
Tax effect	(378)	(800)	(378)	(800)
<u>Debt instruments</u>				
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(165,982)	32,710	(165,982)	32,710
- net gain reclassified to profit or loss	(83)	(953)	(83)	(953)
- (writeback of allowance)/allowance for expected credit losses ("ECL")	(1,834)	6,637	(1,834)	6,637
- foreign exchange differences	(1)	-	(1)	-
Tax effect	39,856	(6,228)	39,856	(6,228)
Other comprehensive (loss)/income, net of tax	(119,090)	35,805	(119,090)	35,805
Total comprehensive income for the financial period, net of tax	165,830	254,035	165,830	254,035

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

Group	Attributable to equity holder of the Bank								
	Non-distributable					Distributable			
	Share capital RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2021	2,590,465	104,149	457,552	(16,949)	84,588	5,541,997	8,761,802	146	8,761,948
Profit for the financial period	-	-	-	-	-	216,308	216,308	-	216,308
Other comprehensive income, net	-	-	32,749	2,535	526	-	35,810	-	35,810
Total comprehensive income for the financial period	-	-	32,749	2,535	526	216,308	252,118	-	252,118
Issuance of ordinary shares	450,000	-	-	-	-	-	450,000	-	450,000
Transaction with owner and other equity movements	450,000	-	-	-	-	-	450,000	-	450,000
At 30 June 2021	3,040,465	104,149	490,301	(14,414)	85,114	5,758,305	9,463,920	146	9,464,066

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022

Group	Attributable to equity holder of the Bank									
	Non-distributable						Distributable			
	Share capital RM'000	Regulatory reserve RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2022	3,040,465	94,463	104,149	293,346	(9,062)	88,488	6,470,027	10,081,876	146	10,082,022
Profit for the financial period	-	-	-	-	-	-	286,019	286,019	-	286,019
Other comprehensive (loss)/income, net	-	-	-	(132,858)	1,198	12,581	-	(119,079)	-	(119,079)
Total comprehensive (loss)/income for the financial period	-	-	-	(132,858)	1,198	12,581	286,019	166,940	-	166,940
Transfer to regulatory reserve	-	27,264	-	-	-	-	(27,264)	-	-	-
Transaction with owner and other equity movements	-	27,264	-	-	-	-	(27,264)	-	-	-
At 30 June 2022	3,040,465	121,727	104,149	160,488	(7,864)	101,069	6,728,782	10,248,816	146	10,248,962

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

Registration No. 196901000166 (8515-D)

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Attributable to equity holder of the Bank					Total equity RM'000
	Non-distributable			Distributable		
Bank	Share capital RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
At 1 April 2021	2,590,465	457,552	(16,949)	88,443	5,591,998	8,711,509
Profit for the financial period	-	-	-	-	218,230	218,230
Other comprehensive income, net	-	32,749	2,535	521	-	35,805
Total comprehensive income for the financial period	-	32,749	2,535	521	218,230	254,035
Issuance of ordinary shares	450,000	-	-	-	-	450,000
Transaction with owner and other equity movements	450,000	-	-	-	-	450,000
At 30 June 2021	3,040,465	490,301	(14,414)	88,964	5,810,228	9,415,544

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

Registration No. 196901000166 (8515-D)

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Attributable to equity holder of the Bank						Total equity RM'000
	Non-distributable				Distributable		
Bank	Share capital RM'000	Regulatory reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
At 1 April 2022	3,040,465	94,463	293,346	(9,062)	92,301	6,524,068	10,035,581
Profit for the financial period	-	-	-	-	-	284,920	284,920
Other comprehensive (loss)/income, net	-	-	(132,858)	1,198	12,570	-	(119,090)
Total comprehensive (loss)/income for the financial period	-	-	(132,858)	1,198	12,570	284,920	165,830
Transfer to regulatory reserve	-	27,264	-	-	-	(27,264)	-
Transaction with owner and other equity movements	-	27,264	-	-	-	(27,264)	-
At 30 June 2022	3,040,465	121,727	160,488	(7,864)	104,871	6,781,724	10,201,411

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2022**

	Group		Bank	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit before taxation	364,541	284,727	363,132	286,223
Adjustments for non-operating and non-cash items	73,846	189,817	74,184	186,939
Operating profit before working capital changes	438,387	474,544	437,316	473,162
Changes in working capital:				
Net change in operating assets	(953,051)	(1,584,663)	(954,489)	(1,585,941)
Net change in operating liabilities	595,896	(1,120,392)	594,958	(1,120,827)
Tax paid	(153,068)	(32,930)	(151,830)	(32,583)
Net cash used in operating activities	(71,836)	(2,263,441)	(74,045)	(2,266,189)
Net cash used in investing activities	(2,101,845)	(1,651,932)	(2,101,845)	(1,651,932)
Net cash used in financing activities	(24,067)	431,634	(24,190)	431,594
Net decrease in cash and cash equivalents	(2,197,748)	(3,483,739)	(2,200,080)	(3,486,527)
Cash and cash equivalents at beginning of the financial period	11,139,096	10,021,441	11,119,681	10,013,280
Effect of exchange rate changes	(117)	(292)	(117)	(292)
Cash and cash equivalents at end of financial period	8,941,231	6,537,410	8,919,484	6,526,461
Cash and cash equivalents comprise:				
Cash and short-term funds	7,396,461	6,234,464	7,374,714	6,223,515
Deposits and placements with banks and other financial institutions	2,446,130	359,864	2,446,130	359,864
	9,842,591	6,594,328	9,820,844	6,583,379
Less: Deposits and placements with original maturity of more than 3 months	(904,520)	(59,864)	(904,520)	(59,864)
	8,938,071	6,534,464	8,916,324	6,523,515
Allowances for expected credit loss ("ECL") for cash and cash equivalents at end of the financial period	3,160	2,946	3,160	2,946
	8,941,231	6,537,410	8,919,484	6,526,461

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2022.

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

A1. BASIS OF PREPARATION

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

These condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Group and the Bank for the financial year ended 31 March 2022.

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.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to MFRS 116)
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137)
- Reference to the Conceptual Framework (Amendments to MFRS 3)
- Annual Improvements to MFRS Standards 2018-2020

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

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

(a) 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 adoption of these amendments did not result in any impact to the financial statements of the Group and the Bank.

(b) 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 adoption of these amendments did not result in any impact to the financial statements of the Group and the Bank.

(c) 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 adoption of these amendments did not result in any impact as there is no business combination or asset acquisition occurred during the financial quarter 30 June 2022.

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

A1. BASIS OF PREPARATION (CONT'D.)

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

The nature of the amendments to published standards relevant to the Group and the Bank are described below (Cont'd.):

(d) 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 adoption of these amendments did not result in any impact as there is no subsidiary of the Group that adopt MFRS later than the Bank.

(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. The adoption of these amendments did not result in any impact to the financial statements of the Group and the Bank.

(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. The adoption of this amendment did not result in any impact as the Group is not in the agriculture business.

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

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
- MFRS 17 <i>Insurance Contracts</i>	1 January 2023
- Amendments to MFRS 17	1 January 2023
- Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17)	1 January 2023
- Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101)	1 January 2023
- Disclosure of Accounting Policies (Amendments to MFRS 101)	1 January 2023
- Definition of Accounting Estimates (Amendments to MFRS 108)	1 January 2023
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)	1 January 2023
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	To be determined by MASB

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

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

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

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

Disclosure of Accounting Policies (Amendments to MFRS 101)

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

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

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

A1. BASIS OF PREPARATION (CONT'D.)

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

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

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

Definition of Accounting Estimates (Amendments to MFRS 108)

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

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

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

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

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

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

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

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

The amendments clarify that:

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

A1.2 Significant Accounting Judgements, Estimates and Assumptions

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

In the process of applying the Group's and the Bank's accounting policies, the significant judgements, estimates and assumptions made by management were the same as those applied to the annual financial statements for the financial year ended 31 March 2022.

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

A2. AUDIT QUALIFICATION

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2022 was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

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

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

A5. CHANGES IN ESTIMATES

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

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

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

A7. DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the financial quarter ended 30 June 2022 and no dividends were paid in the current financial quarter.

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

A8. CASH AND SHORT-TERM FUNDS

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Cash and bank balances	1,797,678	1,354,847	1,795,632	1,353,622
Deposit placements maturing within one month:				
Licensed banks	4,570,666	3,139,771	4,550,965	3,121,582
Bank Negara Malaysia	1,030,000	5,401,800	1,030,000	5,401,800
	5,600,666	8,541,571	5,580,965	8,523,382
Total cash and bank balances and deposit placements	7,398,344	9,896,418	7,376,597	9,877,004
Less: Allowances for ECL	(1,883)	(2,093)	(1,883)	(2,093)
	7,396,461	9,894,325	7,374,714	9,874,911

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1	Stage 2	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	
30 June 2022			
Balance at beginning of the financial period	2,072	21	2,093
Net (writeback of)/allowance for ECL:	(281)	12	(269)
New financial assets originated	3,790	-	3,790
Financial assets derecognised	(6,623)	(1)	(6,624)
Transfer from deposits and placements with banks and other financial institution (Note A9)	2,622	-	2,622
Net remeasurement of allowances	(70)	13	(57)
Foreign exchange differences	59	-	59
Balance at end of the financial period	1,850	33	1,883
31 March 2022			
Balance at beginning of the financial year	2,234	22	2,256
Net writeback of ECL:	(135)	-	(135)
New financial assets originated	22,653	4	22,657
Financial assets derecognised	(26,313)	(2)	(26,315)
Transfer from deposits and placements with banks and other financial institutions (Note A9)	3,325	-	3,325
Net remeasurement of allowances	200	(2)	198
Foreign exchange differences	(27)	(1)	(28)
Balance at end of the financial year	2,072	21	2,093

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

A9. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	30 June 2022 RM'000	31 March 2022 RM'000
Licensed banks	1,542,887	1,282,678
Licensed islamic bank (a related company)	104,520	103,435
Licensed investment bank (a related company)	800,000	800,000
	<u>2,447,407</u>	<u>2,186,113</u>
Less: Allowances for ECL	(1,277)	(1,325)
	<u>2,446,130</u>	<u>2,184,788</u>

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Total RM'000
	30 June 2022	
Balance at beginning of the financial period	1,325	1,325
Net writeback of allowance for ECL:	(48)	(48)
New financial assets originated	2,570	2,570
Net remeasurement of allowances	4	4
Transfer to cash and short term funds (Note A8)	(2,622)	(2,622)
Balance at end of the financial period	<u>1,277</u>	<u>1,277</u>

Group and Bank	Stage 1 12-Month ECL RM'000	Total RM'000
	31 March 2022	
Balance at beginning of the financial year	42	42
Net allowance of ECL:	1,283	1,283
New financial assets originated	4,573	4,573
Transfer to cash and short-term funds (Note A8)	(3,325)	(3,325)
Net remeasurement of allowances	35	35
Balance at end of the financial year	<u>1,325</u>	<u>1,325</u>

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

A10. INVESTMENT ACCOUNT PLACEMENT

	Group and Bank	
	30 June 2022 RM'000	31 March 2022 RM'000
Licensed Islamic bank	1,558,876	1,710,663
Less: Allowances for ECL	(1,845)	(2,179)
	1,557,031	1,708,484

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

As at 30 June 2022, the gross exposure relating to the RA financing for the Group and the Bank amounted to RM1,561.7 million (31 March 2022: RM1,713.8 million). No stage 3 ECL is provided for the RA financing as at 30 June 2022 and 31 March 2022.

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Total RM'000
	30 June 2022	
Balance at beginning of the financial period	2,179	2,179
Net writeback of ECL:	(334)	(334)
Net remeasurement of allowances	(334)	(334)
Balance at end of the financial period	1,845	1,845
31 March 2022		
Balance at beginning of the financial year	1,943	1,943
Net allowances for ECL:	236	236
New financial assets originated	1,024	1,024
Net remeasurement of allowances	(788)	(788)
Balance at end of the financial year	2,179	2,179

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

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
At fair value				
Money market instruments:				
Malaysian Islamic Treasury Bills	1,778,979	676,964	1,778,979	676,964
Malaysian Government Investment Issues	204,155	60,920	204,155	60,920
Malaysian Government Securities	360,180	258,277	360,180	258,277
Malaysian Treasury Bills	198,062	100,625	198,062	100,625
	<u>2,541,376</u>	<u>1,096,786</u>	<u>2,541,376</u>	<u>1,096,786</u>
Quoted securities:				
<i>In Malaysia:</i>				
Shares	551,195	566,314	551,195	566,314
Unit trusts	13,315	12,466	13,315	12,466
Sukuk	12,507	13,315	12,507	13,315
	<u>577,017</u>	<u>592,095</u>	<u>577,017</u>	<u>592,095</u>
<i>Outside Malaysia:</i>				
Shares	<u>489,973</u>	<u>481,104</u>	<u>489,969</u>	<u>481,100</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Shares	31	31	-	-
Corporate bonds and sukuk	565,676	505,888	565,676	505,888
	<u>565,707</u>	<u>505,919</u>	<u>565,676</u>	<u>505,888</u>
	<u>4,174,073</u>	<u>2,675,904</u>	<u>4,174,038</u>	<u>2,675,869</u>

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

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
At fair value				
Money market instruments:				
Malaysian Islamic Treasury Bills	246,885	-	246,885	-
Malaysian Treasury Bills	262,246	-	262,246	-
Malaysian Government Investment Issues	2,887,539	2,931,442	2,887,539	2,931,442
Malaysian Government Securities	3,660,607	3,099,232	3,660,607	3,099,232
Foreign Government Securities	13,494	13,619	13,494	13,619
Islamic Negotiable Instruments of Deposit	199,557	-	199,557	-
Negotiable Instruments of Deposit	300,004	450,001	300,004	450,001
	<u>7,570,332</u>	<u>6,494,294</u>	<u>7,570,332</u>	<u>6,494,294</u>
Quoted securities:				
<i>In Malaysia:</i>				
Unit trusts	71,561	69,726	71,561	69,726
	<u>71,561</u>	<u>69,726</u>	<u>71,561</u>	<u>69,726</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bonds and sukuk	7,043,559	7,095,973	7,043,559	7,095,973
Shares	662,224	668,557	662,224	668,557
	<u>7,705,783</u>	<u>7,764,530</u>	<u>7,705,783</u>	<u>7,764,530</u>
<i>Outside Malaysia:</i>				
Sukuk	10,191	10,423	10,191	10,423
Shares	735	611	735	611
	<u>10,926</u>	<u>11,034</u>	<u>10,926</u>	<u>11,034</u>
	<u>15,358,602</u>	<u>14,339,584</u>	<u>15,358,602</u>	<u>14,339,584</u>

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

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

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
30 June 2022			
Balance at beginning of the financial period	8,038	3,602	11,640
Net writeback of ECL:	(746)	(1,088)	(1,834)
- Transfer to Stage 1	4	(2,121)	(2,117)
New financial assets originated	1,121	-	1,121
Financial assets derecognised	(1,248)	-	(1,248)
Net remeasurement of allowances	(623)	1,033	410
Foreign exchange differences	1	-	1
Balance at end of the financial period	7,293	2,514	9,807

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
31 March 2022			
Balance at beginning of the financial year	9,297	19	9,316
Net (writeback of)/allowance for ECL:	(1,261)	3,583	2,322
- Transfer to Stage 2	(893)	3,602	2,709
New financial assets originated	3,316	-	3,316
Financial assets derecognised	(3,111)	(19)	(3,130)
Net remeasurement of allowances	(573)	-	(573)
Foreign exchange differences	2	-	2
Balance at end of the financial year	8,038	3,602	11,640

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

A13. FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	30 June 2022 RM'000	31 March 2022 RM'000
At amortised cost		
Money market instruments:		
Malaysian Government Investment Issues	1,638,876	980,886
Malaysian Government Securities	1,327,525	907,429
	<u>2,966,401</u>	<u>1,888,315</u>
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bonds and sukuk	3,895,983	4,078,786
	<u>6,862,384</u>	<u>5,967,101</u>
Less: Allowances for ECL	(36,920)	(37,586)
	<u>6,825,464</u>	<u>5,929,515</u>

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
30 June 2022				
Balance at beginning of the financial period	3,314	-	34,272	37,586
Net writeback of ECL:	(502)	-	(164)	(666)
New financial assets originated	215	-	-	215
Net remeasurement of allowances	(128)	-	(164)	(292)
Financial assets derecognised	(589)	-	-	(589)
Balance at end of the financial period	<u>2,812</u>	<u>-</u>	<u>34,108</u>	<u>36,920</u>

Group and Bank	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
31 March 2022				
Balance at beginning of the financial year	2,939	22,690	-	25,629
Net allowance/(writeback) of ECL:	375	(22,690)	34,272	11,957
- Transfer to Stage 1	209	(8,124)	-	(7,915)
- Transfer to Stage 3	-	(772)	34,272	33,500
New financial assets originated	135	-	-	135
Net remeasurement of allowances	34	-	-	34
Financial assets derecognised	(3)	-	-	(3)
Changes in model assumptions and methodologies	-	(13,794)	-	(13,794)
Balance at end of the financial year	<u>3,314</u>	<u>-</u>	<u>34,272</u>	<u>37,586</u>

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

A14. LOANS AND ADVANCES

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
At amortised cost:				
Overdraft	1,945,296	2,029,703	1,945,296	2,029,703
Term loans	24,193,594	23,981,311	24,193,594	23,981,311
Housing loan receivables	27,984,267	27,857,289	27,881,974	27,750,900
Hire purchase receivables	9,315,935	9,598,644	9,315,935	9,598,644
Bills receivables	1,670,178	1,802,396	1,670,178	1,802,396
Trust receipts	2,207,064	2,196,281	2,207,064	2,196,281
Claims on customers under acceptance credits	4,337,108	4,346,521	4,337,108	4,346,521
Card receivables	1,476,109	1,455,413	1,476,109	1,455,413
Revolving credits	6,164,819	6,535,875	6,235,097	6,608,831
Staff loans	86,206	87,344	86,206	87,344
Others	154,056	158,454	154,056	158,454
Gross loans and advances	79,534,632	80,049,231	79,502,617	80,015,798
Allowances for ECL:				
- Stage 1 - 12 months ECL	(149,906)	(154,044)	(149,927)	(154,074)
- Stage 2 - Lifetime ECL not credit impaired	(742,799)	(758,197)	(742,783)	(758,182)
- Stage 3 - Lifetime ECL credit impaired	(322,285)	(319,503)	(322,099)	(319,223)
Net loans and advances	78,319,642	78,817,487	78,287,808	78,784,319

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Domestic non-bank financial institutions	869,720	1,045,624	939,998	1,118,579
Domestic business enterprises				
- Small medium enterprises	18,083,083	17,804,425	18,083,083	17,804,425
- Others	17,340,890	17,768,448	17,340,890	17,768,448
Government and statutory bodies	58,033	60,790	58,033	60,790
Individuals	41,713,257	41,794,021	41,610,964	41,687,633
Other domestic entities	9,233	6,850	9,233	6,850
Foreign individuals and entities	1,460,416	1,569,073	1,460,416	1,569,073
Gross loans and advances	79,534,632	80,049,231	79,502,617	80,015,798

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

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
In Malaysia	78,607,925	79,155,058	78,575,910	79,121,625
Outside Malaysia	926,707	894,173	926,707	894,173
	<u>79,534,632</u>	<u>80,049,231</u>	<u>79,502,617</u>	<u>80,015,798</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Fixed rate				
- Housing loans	153,752	154,240	51,459	47,851
- Hire purchase receivables	8,895,178	9,155,918	8,895,178	9,155,918
- Other fixed rate loans	6,278,880	6,799,568	6,278,880	6,799,568
Variable rate				
- Base rate and base lending rate plus	44,486,107	43,732,877	44,486,107	43,732,877
- Cost plus	18,562,373	19,095,010	18,632,651	19,167,966
- Other variable rates	1,158,342	1,111,618	1,158,342	1,111,618
	<u>79,534,632</u>	<u>80,049,231</u>	<u>79,502,617</u>	<u>80,015,798</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Agriculture	1,331,929	1,455,342	1,331,929	1,455,342
Mining and quarrying	1,872,688	1,772,651	1,872,688	1,772,651
Manufacturing	11,107,833	11,084,348	11,107,833	11,084,348
Electricity, gas and water	913,176	909,608	913,176	909,608
Construction	3,301,588	3,295,894	3,301,588	3,295,894
Wholesale and retail trade and hotel and restaurants	7,449,144	7,578,695	7,449,144	7,578,695
Transport, storage and communication	3,335,130	3,340,069	3,335,130	3,340,069
Finance and insurance	865,273	1,163,013	935,551	1,235,969
Real estate	4,552,682	4,431,674	4,552,682	4,431,674
Business activities	1,548,038	1,666,498	1,548,038	1,666,498
Education and health	1,002,936	1,022,743	1,002,936	1,022,743
Household of which:	42,229,462	42,303,665	42,127,169	42,197,276
- purchase of residential properties	28,269,102	28,148,654	28,166,809	28,042,265
- purchase of transport vehicles	8,411,817	8,659,412	8,411,817	8,659,412
- others	5,548,543	5,495,599	5,548,543	5,495,599
Others	24,753	25,031	24,753	25,031
	<u>79,534,632</u>	<u>80,049,231</u>	<u>79,502,617</u>	<u>80,015,798</u>

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

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Maturing within one year	18,961,258	19,457,299	19,028,177	19,526,853
Over one year to three years	5,269,398	4,746,704	5,263,516	4,740,692
Over three years to five years	8,914,384	9,568,951	8,906,196	9,560,548
Over five years	46,389,592	46,276,277	46,304,728	46,187,705
	<u>79,534,632</u>	<u>80,049,231</u>	<u>79,502,617</u>	<u>80,015,798</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Balance at beginning of the financial period/year	1,047,502	1,157,246	1,046,185	1,156,027
Additions during the financial period/year	409,144	638,568	408,933	638,204
Reclassified as non-impaired	(122,016)	(128,657)	(121,631)	(128,512)
Recoveries	(50,366)	(205,367)	(50,357)	(205,246)
Amount written off	(65,227)	(413,969)	(65,227)	(413,969)
Foreign exchange differences	425	(319)	425	(319)
Balance at end of the financial period/year	<u>1,219,462</u>	<u>1,047,502</u>	<u>1,218,328</u>	<u>1,046,185</u>
Gross impaired loans and advances as % of gross loans and advances	<u>1.53%</u>	<u>1.31%</u>	<u>1.53%</u>	<u>1.31%</u>
Loan loss coverage (Including regulatory reserve)	<u>132.9%</u>	<u>153.2%</u>	<u>133.0%</u>	<u>153.4%</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
In Malaysia	1,219,462	1,038,331	1,218,328	1,037,014
Outside Malaysia	-	9,171	-	9,171
	<u>1,219,462</u>	<u>1,047,502</u>	<u>1,218,328</u>	<u>1,046,185</u>

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

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Agriculture	7,799	8,832	7,799	8,832
Mining and quarrying	7,545	13,093	7,545	13,093
Manufacturing	153,214	174,821	153,214	174,821
Electricity, gas and water	5,178	4,639	5,178	4,639
Construction	135,394	96,951	135,394	96,951
Wholesale and retail trade and hotel and restaurants	119,027	106,915	119,027	106,915
Transport, storage and communication	15,657	14,852	15,657	14,852
Finance and insurance	1,534	1,493	1,534	1,493
Real estate	28,381	22,237	28,381	22,237
Business activities	47,719	37,207	47,719	37,207
Education and health	8,402	6,217	8,402	6,217
Household of which:	689,612	560,245	688,478	558,928
- purchase of residential properties	500,641	420,936	499,507	419,619
- purchase of transport vehicles	81,982	59,989	81,982	59,989
- others	106,989	79,320	106,989	79,320
	<u>1,219,462</u>	<u>1,047,502</u>	<u>1,218,328</u>	<u>1,046,185</u>

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

A14. LOANS AND ADVANCES (CONT'D.)

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
30 June 2022				
Balance at beginning of the financial period	154,044	758,197	319,503	1,231,744
Net (writeback)/allowances for ECL:	(4,509)	(15,398)	67,526	47,619
- Transfer to Stage 1	5,386	(42,105)	(1,973)	(38,692)
- Transfer to Stage 2	(5,434)	47,391	(14,855)	27,102
- Transfer to Stage 3	(386)	(23,697)	62,538	38,455
New financial assets originated	17,124	19,523	1,105	37,752
Net remeasurement of allowances	(5,293)	(11,539)	38,649	21,817
Financial assets derecognised	(15,906)	(17,468)	(17,938)	(51,312)
Changes to model assumptions and methodologies	-	12,497	-	12,497
Foreign exchange differences	371	-	483	854
Amount written-off	-	-	(65,227)	(65,227)
Balance at end of the financial period	149,906	742,799	322,285	1,214,990
31 March 2022				
Balance at beginning of the financial year	286,308	707,881	432,998	1,427,187
Net (writeback)/allowances for ECL:	(132,369)	50,301	300,577	218,509
- Transfer to Stage 1	8,013	(87,575)	(3,139)	(82,701)
- Transfer to Stage 2	(15,965)	128,595	(17,001)	95,629
- Transfer to Stage 3	(762)	(19,071)	76,875	57,042
New financial assets originated	35,000	54,786	4,428	94,214
Net remeasurement of allowances	(17,347)	(2,308)	314,749	295,094
Modification of contractual cash flows of financial assets	(1,376)	1,599	567	790
Financial assets derecognised	(25,092)	(50,295)	(75,902)	(151,289)
Changes to model assumptions and methodologies	(114,840)	24,570	-	(90,270)
Foreign exchange differences	105	15	(103)	17
Amount written-off	-	-	(413,969)	(413,969)
Balance at end of the financial year	154,044	758,197	319,503	1,231,744

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

A14. LOANS AND ADVANCES (CONT'D.)

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

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2022				
Balance at beginning of the financial period	154,074	758,182	319,223	1,231,479
Net (writeback)/allowances for ECL:	(4,518)	(15,399)	67,620	47,703
- Transfer to Stage 1	5,385	(42,103)	(1,858)	(38,576)
- Transfer to Stage 2	(5,433)	47,381	(14,855)	27,093
- Transfer to Stage 3	(386)	(23,693)	62,525	38,446
New financial assets originated	17,124	19,523	1,105	37,752
Net remeasurement of allowances	(5,302)	(11,539)	38,630	21,789
Financial assets derecognised	(15,906)	(17,465)	(17,927)	(51,298)
Changes to model assumptions and methodologies	-	12,497	-	12,497
Foreign exchange differences	371	-	483	854
Amount written-off	-	-	(65,227)	(65,227)
Balance at end of the financial period	<u>149,927</u>	<u>742,783</u>	<u>322,099</u>	<u>1,214,809</u>
	Stage 1	Stage 2	Stage 3	
	12-Month	Lifetime ECL	Lifetime ECL	
	ECL	not credit	credit	
	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
31 March 2022				
Balance at beginning of the financial year	286,338	707,855	432,736	1,426,929
Net (writeback)/allowances for ECL:	(132,369)	50,312	300,559	218,502
- Transfer to Stage 1	8,012	(87,556)	(3,139)	(82,683)
- Transfer to Stage 2	(15,964)	128,583	(16,984)	95,635
- Transfer to Stage 3	(762)	(19,071)	76,822	56,989
New financial assets originated	35,000	54,786	4,428	94,214
Net remeasurement of allowances	(17,351)	(2,306)	314,748	295,091
Modification of contractual cash flows of financial assets	(1,376)	1,599	567	790
Financial assets derecognised	(25,088)	(50,293)	(75,883)	(151,264)
Changes to model assumptions and methodologies	(114,840)	24,570	-	(90,270)
Foreign exchange differences	105	15	(103)	17
Amount written-off	-	-	(413,969)	(413,969)
Balance at end of the financial year	<u>154,074</u>	<u>758,182</u>	<u>319,223</u>	<u>1,231,479</u>

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

A15. OTHER ASSETS

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Other receivables, deposits and prepayments	673,840	585,561	672,226	583,880
Interest receivable	298,141	356,902	298,138	356,902
Amount due from related companies	35,487	211,743	37,380	213,715
Collateral pledged for derivative and securities transactions	614,444	446,809	614,444	446,809
Foreclosed properties	2,635	2,635	2,327	2,327
Deferred charges	107,212	106,545	107,212	106,545
Tax recoverable	226,390	111,722	226,039	111,534
	<u>1,958,149</u>	<u>1,821,917</u>	<u>1,957,766</u>	<u>1,821,712</u>
Less: Accumulated impairment losses	(2,032)	(1,974)	(1,558)	(1,500)
	<u>1,956,117</u>	<u>1,819,943</u>	<u>1,956,208</u>	<u>1,820,212</u>

A16. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Demand deposits	22,381,260	24,114,121	22,394,077	24,126,407
Savings deposits	4,877,976	5,400,230	4,877,976	5,400,230
Term/Investment deposits	54,468,132	56,342,545	54,468,938	56,344,352
Negotiable instrument of deposits	50,000	-	50,000	-
	<u>81,777,368</u>	<u>85,856,896</u>	<u>81,790,991</u>	<u>85,870,989</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Government and other statutory bodies	1,658,386	1,549,251	1,658,386	1,549,251
Business enterprises	39,839,121	39,347,970	39,852,744	39,362,063
Individuals	35,708,914	35,321,255	35,708,914	35,321,255
Others	4,570,947	9,638,420	4,570,947	9,638,420
	<u>81,777,368</u>	<u>85,856,896</u>	<u>81,790,991</u>	<u>85,870,989</u>

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

A16. DEPOSITS FROM CUSTOMERS (CONT'D.)

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Due within six months	41,820,749	44,037,037	41,821,555	44,038,844
Over six months to one year	11,518,832	10,871,790	11,518,832	10,871,790
Over one year to three years	1,077,704	1,325,160	1,077,704	1,325,160
Over three years to five years	100,847	108,558	100,847	108,558
	<u>54,518,132</u>	<u>56,342,545</u>	<u>54,518,938</u>	<u>56,344,352</u>

A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Licensed banks	6,407,851	4,146,076	6,407,851	4,146,076
Licensed investment banks	907,212	845,298	907,212	845,298
Other financial institutions	1,055,865	1,164,875	1,065,123	1,174,519
Bank Negara Malaysia	1,244,509	1,221,494	1,244,509	1,221,494
	<u>9,615,437</u>	<u>7,377,743</u>	<u>9,624,695</u>	<u>7,387,387</u>

A18. OTHER LIABILITIES

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Other payables and accruals	1,079,371	1,161,187	1,067,162	1,149,050
Lease liabilities	203,795	174,133	205,207	175,639
Provision for reinstatement for leased properties	6,152	6,130	6,152	6,130
Interest payable	362,663	429,512	362,664	429,512
Amount due to holding company and other related companies	-	8,291	-	8,291
Collateral received for derivative and securities transactions	344,999	229,098	344,999	229,098
Lease deposits and advance rentals	36,014	36,476	36,014	36,476
Provision for commitments and contingencies	3,534	3,372	3,534	3,372
Allowances for ECL on loan commitments and financial guarantees (Note (a))	283,365	278,389	283,408	278,435
Provision for taxation	2,164	2,489	2,164	1,759
Deferred income	52,472	53,508	52,472	53,508
	<u>2,374,529</u>	<u>2,382,585</u>	<u>2,363,776</u>	<u>2,371,270</u>

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

A18. OTHER LIABILITIES (CONT'D.)

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
30 June 2022				
Balance at beginning of the financial period	20,472	15,763	242,154	278,389
Net allowance for ECL:	1,402	210	3,273	4,885
- Transfer to Stage 1	500	(3,067)	-	(2,567)
- Transfer to Stage 2	(441)	3,068	-	2,627
- Transfer to Stage 3	(10)	(200)	-	(210)
New exposure originated	4,623	3,816	-	8,439
Net remeasurement of allowances	78	(994)	3,273	2,357
Exposure derecognised/withdrawn	(3,348)	(2,413)	-	(5,761)
Foreign exchange differences	86	17	(12)	91
Balance at end of the financial period	21,960	15,990	245,415	283,365
31 March 2022				
Balance at beginning of the financial year	21,416	30,544	52,718	104,678
Net (writeback of)/allowances for ECL:	(957)	(14,772)	189,436	173,707
- Transfer to Stage 1	593	(6,341)	-	(5,748)
- Transfer to Stage 2	(1,391)	5,622	-	4,231
- Transfer to Stage 3	(49)	(401)	190,368	189,918
New exposure originated	8,765	5,356	-	14,121
Net remeasurement of allowances	(2,023)	(6,263)	(932)	(9,218)
Exposure derecognised/withdrawn	(6,852)	(12,745)	-	(19,597)
Foreign exchange differences	13	(9)	-	4
Balance at end of the financial year	20,472	15,763	242,154	278,389

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

A18. OTHER LIABILITIES (CONT'D.)

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

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2022				
Balance at beginning of the financial period	20,518	15,763	242,154	278,435
Net allowance for ECL:	1,399	210	3,273	4,882
- Transfer to Stage 1	500	(3,067)	-	(2,567)
- Transfer to Stage 2	(441)	3,068	-	2,627
- Transfer to Stage 3	(10)	(200)	-	(210)
New financial instruments originated	4,623	3,816	-	8,439
Net remeasurement of allowances	75	(994)	3,273	2,354
Exposure derecognised/withdrawn	(3,348)	(2,413)	-	(5,761)
Foreign exchange differences	86	17	(12)	91
Balance at end of the financial period	<u>22,003</u>	<u>15,990</u>	<u>245,415</u>	<u>283,408</u>

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2022				
Balance at beginning of the financial year	21,453	30,544	52,718	104,715
Net (writeback of)/allowance for ECL:	(948)	(14,772)	189,436	173,716
- Transfer to Stage 1	593	(6,341)	-	(5,748)
- Transfer to Stage 2	(1,391)	5,622	-	4,231
- Transfer to Stage 3	(49)	(401)	190,368	189,918
New financial instruments originated	8,765	5,356	-	14,121
Net remeasurement of allowances	(2,014)	(6,263)	(932)	(9,209)
Exposure derecognised/withdrawn	(6,852)	(12,745)	-	(19,597)
Foreign exchange differences	13	(9)	-	4
Balance at end of the financial year	<u>20,518</u>	<u>15,763</u>	<u>242,154</u>	<u>278,435</u>

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

A19. INTEREST INCOME

	Individual Quarter		Cumulative Quarter	
	30 June 2022	30 June 2021 (Restated)	30 June 2022	30 June 2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Group				
Short-term funds and deposits and placements with financial institutions	26,633	17,066	26,633	17,066
Financial assets at fair value through profit or loss	17,551	22,331	17,551	22,331
Financial investments at fair value through other comprehensive income	111,115	113,293	111,115	113,293
Financial investments at amortised cost	66,368	39,397	66,368	39,397
Loans and advances*	809,608	771,300	809,608	771,300
Investment account placement	11,344	8,883	11,344	8,883
Impaired loans and advances	883	625	883	625
Others	5,447	2,402	5,447	2,402
	<u>1,048,949</u>	<u>975,297</u>	<u>1,048,949</u>	<u>975,297</u>
Bank				
Short-term funds and deposits and placements with financial institutions	26,559	17,035	26,559	17,035
Financial assets at fair value through profit or loss	17,551	22,331	17,551	22,331
Financial investments at fair value through other comprehensive income	111,115	113,293	111,115	113,293
Financial investments at amortised cost	66,368	39,397	66,368	39,397
Loans and advances*	808,666	770,116	808,666	770,116
Investment account placement	11,344	8,883	11,344	8,883
Impaired loans and advances	883	625	883	625
Others	5,447	2,402	5,447	2,402
	<u>1,047,933</u>	<u>974,082</u>	<u>1,047,933</u>	<u>974,082</u>

* Interest income on loans and advances of the Group and the Bank had included net modification and fair value loss of RM893,000 (June 2021: net loss of RM243,000) from measures implemented in response to COVID-19 pandemic.

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

A20. INTEREST EXPENSE

	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Group				
Deposits from customers	348,931	319,827	348,931	319,827
Deposits and placements of banks and other financial institutions	27,946	22,263	27,946	22,263
Securities sold under repurchase agreements	12,943	5,300	12,943	5,300
Recourse obligation on loans sold to Cagamas Berhad	44,260	46,810	44,260	46,810
Term funding	10,514	4,494	10,514	4,494
Debt capital	36,826	36,876	36,826	36,876
Others	519	672	519	672
	<u>481,939</u>	<u>436,242</u>	<u>481,939</u>	<u>436,242</u>
Bank				
Deposits from customers	348,981	319,873	348,981	319,873
Deposits and placements of banks and other financial institutions	27,946	22,263	27,946	22,263
Securities sold under repurchase agreements	12,943	5,300	12,943	5,300
Recourse obligation on loans sold to Cagamas Berhad	44,260	46,810	44,260	46,810
Term funding	10,514	4,494	10,514	4,494
Debt capital	36,826	36,876	36,826	36,876
Others	519	672	519	672
	<u>481,989</u>	<u>436,288</u>	<u>481,989</u>	<u>436,288</u>

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

A21. OTHER OPERATING INCOME

	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Group				
Fee and commission income:				
Bancassurance commission	7,186	5,735	7,186	5,735
Brokerage fees, commission and rebates	386	1,431	386	1,431
Fees on loans, advances and securities	34,773	28,922	34,773	28,922
Fees, service and commission charges	9,197	6,022	9,197	6,022
Unit trust fees, commission and charges	7,444	18,206	7,444	18,206
Guarantee fees	13,876	11,565	13,876	11,565
Remittances	7,705	5,762	7,705	5,762
Other fee and commission	3,142	2,933	3,142	2,933
	<u>83,709</u>	<u>80,576</u>	<u>83,709</u>	<u>80,576</u>
Investment and trading income:				
Foreign exchange gain	160,805	28,311	160,805	28,311
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	2,615	1,765	2,615	1,765
Financial investments at fair value through other comprehensive income	1,810	2,650	1,810	2,650
Net (loss)/gain on sale of:				
Financial assets at fair value through profit or loss	(2,462)	(310)	(2,462)	(310)
Financial investments at fair value through other comprehensive income	83	953	83	953
Net loss on revaluation of financial assets at fair value through profit or loss	(37,326)	(22,614)	(37,326)	(22,614)
Net (loss)/gain on derivatives	(80,009)	51,314	(80,009)	51,314
Others	3,548	7,387	3,548	7,387
	<u>49,064</u>	<u>69,456</u>	<u>49,064</u>	<u>69,456</u>
Other income:				
Net gain on disposal of property and equipment	45	17	45	17
Net gain on non trading foreign exchange	179	193	179	193
Profit from sale of goods and services	4,062	4,483	4,062	4,483
Rental income	1,955	1,959	1,955	1,959
Others	1,994	158	1,994	158
	<u>8,235</u>	<u>6,810</u>	<u>8,235</u>	<u>6,810</u>
	<u>141,008</u>	<u>156,842</u>	<u>141,008</u>	<u>156,842</u>

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

A21. OTHER OPERATING INCOME (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Bank				
Fee and commission income:				
Bancassurance commission	7,186	5,735	7,186	5,735
Brokerage fees, commission and rebates	386	1,431	386	1,431
Fees on loans, advances and securities	34,773	28,922	34,773	28,922
Fees, service and commission charges	9,049	5,889	9,049	5,889
Unit trust fees, commission and charges	7,444	18,206	7,444	18,206
Guarantee fees	13,876	11,565	13,876	11,565
Remittances	7,705	5,762	7,705	5,762
Other fee and commission	3,142	2,933	3,142	2,933
	<u>83,561</u>	<u>80,443</u>	<u>83,561</u>	<u>80,443</u>
Investment and trading income:				
Foreign exchange gain	160,777	28,311	160,777	28,311
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	2,615	1,765	2,615	1,765
Financial investments at fair value through other comprehensive income	1,810	2,650	1,810	2,650
Associate	-	15,000	-	15,000
Net (loss)/gain on sale of:				
Financial assets at fair value through profit or loss	(2,462)	(310)	(2,462)	(310)
Financial investments at fair value through other comprehensive income	83	953	83	953
Net loss on revaluation of financial assets at fair value through profit or loss	(37,326)	(22,614)	(37,326)	(22,614)
Net (loss)/gain on derivatives	(80,009)	51,314	(80,009)	51,314
Others	3,548	7,387	3,548	7,387
	<u>49,036</u>	<u>84,456</u>	<u>49,036</u>	<u>84,456</u>
Other income:				
Net gain on disposal of property and equipment	45	17	45	17
Net gain on non trading foreign exchange	179	193	179	193
Profit from sale of goods and services	4,062	4,483	4,062	4,483
Rental income	2,019	1,917	2,019	1,917
Others	1,957	158	1,957	158
	<u>8,262</u>	<u>6,768</u>	<u>8,262</u>	<u>6,768</u>
	<u>140,859</u>	<u>171,667</u>	<u>140,859</u>	<u>171,667</u>

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

A22. OTHER OPERATING EXPENSES

Group	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Personnel costs:				
Medical	4,108	3,160	4,108	3,160
Insurance	6,675	6,256	6,675	6,256
Contributions to Employees' Provident Fund/ Private Retirement Schemes ("PRS")	33,976	29,900	33,976	29,900
Salaries, bonuses, allowances and incentives	221,504	191,708	221,504	191,708
Share granted under AMMB Executives' Share Scheme ("ESS") - charge/(writeback)	1,572	(1,471)	1,572	(1,471)
Social security costs	1,616	1,639	1,616	1,639
Recruitment costs	3,288	1,382	3,288	1,382
Training	3,488	1,575	3,488	1,575
Others	1,792	1,434	1,792	1,434
	<u>278,019</u>	<u>235,583</u>	<u>278,019</u>	<u>235,583</u>
Establishment costs:				
Amortisation of intangible assets	18,304	31,570	18,304	31,570
Cleaning, maintenance and security	6,098	5,956	6,098	5,956
Computerisation cost	42,535	18,348	42,535	18,348
Depreciation of property and equipment	11,660	15,803	11,660	15,803
Depreciation of right-of-use assets	23,075	17,268	23,075	17,268
Rental of premises	(5,418)	768	(5,418)	768
Finance cost:				
- Lease liabilities	1,728	1,813	1,728	1,813
- Provision for reinstatement for leased properties	22	28	22	28
Others	8,036	7,318	8,036	7,318
	<u>106,040</u>	<u>98,872</u>	<u>106,040</u>	<u>98,872</u>
Marketing and communication expenses:				
Advertising, marketing and communication	10,942	8,079	10,942	8,079
Commission	799	1,382	799	1,382
Others	852	678	852	678
	<u>12,593</u>	<u>10,139</u>	<u>12,593</u>	<u>10,139</u>
Administration and general expenses:				
Bank charges	2,347	2,358	2,347	2,358
Insurance	3,410	1,453	3,410	1,453
Professional services	9,885	13,364	9,885	13,364
Travelling	415	217	415	217
Subscriptions and periodicals	15	304	15	304
Others	6,401	15,582	6,401	15,582
	<u>22,473</u>	<u>33,278</u>	<u>22,473</u>	<u>33,278</u>
Service transfer pricing recovery - net	(79,974)	(72,584)	(79,974)	(72,584)
	<u>339,151</u>	<u>305,288</u>	<u>339,151</u>	<u>305,288</u>

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

A22. OTHER OPERATING EXPENSES (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Bank				
Personnel costs:				
Medical	4,108	3,160	4,108	3,160
Insurance	6,675	6,256	6,675	6,256
Contributions to Employees' Provident Fund/ PRS	33,976	29,900	33,976	29,900
Salaries, bonuses, allowances and incentives	221,504	191,708	221,504	191,708
Share granted under AMMB ESS - charge/(writeback)	1,572	(1,471)	1,572	(1,471)
Social security costs	1,616	1,639	1,616	1,639
Recruitment costs	3,288	1,382	3,288	1,382
Training	3,488	1,575	3,488	1,575
Others	1,792	1,434	1,792	1,434
	<u>278,019</u>	<u>235,583</u>	<u>278,019</u>	<u>235,583</u>
Establishment costs:				
Amortisation of intangible assets	18,304	31,570	18,304	31,570
Cleaning, maintenance and security	5,983	5,842	5,983	5,842
Computerisation cost	42,535	18,348	42,535	18,348
Depreciation of property and equipment	11,544	15,672	11,544	15,672
Depreciation of right-of-use assets	23,178	17,303	23,178	17,303
Rental of premises	(5,296)	891	(5,296)	891
Finance cost:				
- Lease liabilities	1,757	1,820	1,757	1,820
- Provision for reinstatement for leased properties	22	28	22	28
Others	8,011	7,302	8,011	7,302
	<u>106,038</u>	<u>98,776</u>	<u>106,038</u>	<u>98,776</u>
Marketing and communication expenses:				
Advertising, marketing and communication	10,942	8,078	10,942	8,078
Commission	799	1,382	799	1,382
Others	852	678	852	678
	<u>12,593</u>	<u>10,138</u>	<u>12,593</u>	<u>10,138</u>
Administration and general expenses:				
Bank charges	2,347	2,357	2,347	2,357
Insurance	3,302	1,453	3,302	1,453
Professional services	9,868	13,351	9,868	13,351
Travelling	415	217	415	217
Subscriptions and periodicals	15	304	15	304
Others	6,400	15,581	6,400	15,581
	<u>22,347</u>	<u>33,263</u>	<u>22,347</u>	<u>33,263</u>
Service transfer pricing recovery - net	(79,974)	(72,584)	(79,974)	(72,584)
	<u>339,023</u>	<u>305,176</u>	<u>339,023</u>	<u>305,176</u>

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

A23. ALLOWANCE FOR IMPAIRMENT ON LOANS AND ADVANCES

	Individual Quarter		Cumulative Quarter	
	30 June 2022	30 June 2021 (Restated)	30 June 2022	30 June 2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Group				
Allowance for impairment on loans and advances	47,619	134,192	47,619	134,192
Impaired loans and advances recovered, net	(45,001)	(38,130)	(45,001)	(38,130)
	<u>2,618</u>	<u>96,062</u>	<u>2,618</u>	<u>96,062</u>
Bank				
Allowance for impairment on loans and advances	47,703	134,228	47,703	134,228
Impaired loans and advances recovered, net	(45,001)	(38,162)	(45,001)	(38,162)
	<u>2,702</u>	<u>96,066</u>	<u>2,702</u>	<u>96,066</u>

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

	Individual Quarter		Cumulative Quarter	
	30 June 2022	30 June 2021 (Restated)	30 June 2022	30 June 2021 (Restated)
	RM'000	RM'000	RM'000	RM'000
Group and Bank				
Financial investments at fair value through other comprehensive income	(1,834)	6,637	(1,834)	6,637
Financial investments at amortised cost	(666)	(2,875)	(666)	(2,875)
	<u>(2,500)</u>	<u>3,762</u>	<u>(2,500)</u>	<u>3,762</u>

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

	Individual Quarter		Cumulative Quarter	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	RM'000	RM'000	RM'000	RM'000
Group and Bank				
Cash and short-term funds	(269)	689	(269)	689
Deposits and placements with banks and other financial institutions	(48)	(42)	(48)	(42)
Investment account placement	(334)	1,411	(334)	1,411
Other assets	56	(53)	56	(53)
	<u>(595)</u>	<u>2,005</u>	<u>(595)</u>	<u>2,005</u>

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

A26. EARNINGS PER SHARE ("EPS")

Basic/Diluted

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

	Individual Quarter		Cumulative Quarter	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Group				
Net profit attributable to equity holder of the Bank (RM'000)	286,019	216,308	286,019	216,308
Number of ordinary shares at beginning of the financial period	949,927	903,247	949,927	903,247
Effect of issuance of new ordinary shares ('000)	-	15,902	-	15,902
Weighted average number of ordinary shares in issue at the end of the financial period ('000)	949,927	919,149	949,927	919,149
Basic/diluted earnings per share (sen)	30.11	23.53	30.11	23.53
Bank				
Net profit attributable to equity holder of the Bank (RM'000)	284,920	218,230	284,920	218,230
Number of ordinary shares at beginning of the financial period	949,927	903,247	949,927	903,247
Effect of issuance of new ordinary shares ('000)	-	15,902	-	15,902
Weighted average number of ordinary shares in issue at the end of the financial period ('000)	949,927	919,149	949,927	919,149
Basic/diluted earnings per share (sen)	29.99	23.74	29.99	23.74

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.

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

A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

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

(b) Business Banking

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

(c) Wholesale Banking

Wholesale Banking comprises Corporate Banking and Group Treasury and Markets.

(i) Corporate Banking

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

(ii) Group Treasury and Markets

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

(d) Investment Banking

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

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

(e) Group Funding and Others

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

Measurement of Segment Performance

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

Note:

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

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

A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

Group For the financial period ended 30 June 2022	Wholesale Banking						Total RM'000
	Retail Banking RM'000	Business Banking RM'000	Corporate Banking RM'000	Group Treasury and Markets RM'000	Investment Banking RM'000	Group Funding and Others RM'000	
External net income	367,249	123,058	177,441	106,328	9,737	(75,554)	708,259
Intersegments net income	(47,004)	(6,151)	(57,425)	17,769	(3,174)	95,985	-
Net income	320,245	116,907	120,016	124,097	6,563	20,431	708,259
Net interest income	265,484	89,471	94,918	98,963	5,718	12,456	567,010
Other operating income	54,520	27,436	25,098	25,134	846	7,974	141,008
Share in results of an associate	241	-	-	-	-	-	241
Net income	320,245	116,907	120,016	124,097	6,564	20,430	708,259
Other operating expenses	(168,448)	(41,388)	(30,699)	(14,808)	(2,021)	(81,787)	(339,151)
<i>of which:</i>							
<i>Depreciation of property and equipment</i>	(4,147)	(447)	(311)	(113)	(2)	(6,640)	(11,660)
<i>Depreciation of right-of-use assets</i>	-	-	-	-	-	(23,075)	(23,075)
<i>Amortisation of intangible assets</i>	(5,491)	(241)	(1,427)	(1,501)	-	(9,644)	(18,304)
Profit/(loss) before impairment losses	151,797	75,519	89,317	109,289	4,543	(61,357)	369,108
(Allowance)/writeback of allowance for impairment on loans and advances	(13,191)	1,848	21,047	-	55	(12,377)	(2,618)
Provision for commitments and contingencies	(1,373)	(1,426)	(2,083)	-	-	(165)	(5,047)
(Allowance)/writeback of allowance for impairment on financial investment and other financial assets	(45)	-	382	2,758	-	-	3,095
Other recoveries	-	-	-	-	-	3	3
Profit/(loss) before taxation	137,188	75,941	108,663	112,047	4,598	(73,896)	364,541
Taxation	(32,867)	(17,927)	(24,845)	(25,846)	(825)	23,788	(78,522)
Profit/(loss) for the financial period	104,321	58,014	83,818	86,201	3,773	(50,108)	286,019
Other information							
Total segment assets	46,048,251	12,609,600	20,921,086	35,954,697	1,291,709	3,269,656	120,094,999
Total segment liabilities	41,866,284	10,519,089	10,932,695	33,835,081	947,243	11,745,645	109,846,037
Cost to income ratio	52.6%	35.4%	25.6%	11.9%	30.8%	>100.0%	47.9%
Gross loans and advances	45,805,693	12,719,191	19,795,060	-	1,291,384	(76,696)	79,534,632
Net loans and advances	44,976,133	12,600,416	19,544,702	-	1,291,384	(92,993)	78,319,642
Impaired loans and advances	907,089	153,308	159,065	-	-	-	1,219,462
Total deposits	41,245,692	10,406,575	10,581,031	27,339,602	940,145	879,760	91,392,805
Additions to:							
Property and equipment	2,192	42	66	19	-	1,650	3,969
Intangible assets	5,719	302	332	26	-	6,875	13,254

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

A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

Group For the financial period ended 30 June 2021 (Restated)	Wholesale Banking						Total RM'000
	Retail Banking RM'000	Business Banking RM'000	Corporate Banking RM'000	Group Treasury and Markets RM'000	Investment Banking RM'000	Group Funding and Others RM'000	
External net income	388,316	117,987	154,062	97,699	10,864	(73,549)	695,379
Intersegments net income	(77,368)	(13,119)	(49,622)	21,341	(3,435)	122,203	-
Net income	310,948	104,868	104,440	119,040	7,429	48,654	695,379
Net interest income	253,681	80,019	84,331	76,638	5,529	38,857	539,055
Other operating income	57,786	24,849	20,110	42,401	1,899	9,797	156,842
Share in results of an associate	(518)	-	-	-	-	-	(518)
Net income	310,949	104,868	104,441	119,039	7,428	48,654	695,379
Other operating expenses	(159,642)	(30,959)	(32,980)	(16,984)	(1,783)	(62,940)	(305,288)
<i>of which:</i>							
<i>Depreciation of property and equipment</i>	(4,569)	(458)	(388)	(41)	(1)	(10,346)	(15,803)
<i>Depreciation of right-of-use</i>	-	-	-	-	-	(17,268)	(17,268)
<i>Amortisation of intangible assets</i>	(4,863)	(208)	(1,661)	(315)	-	(24,523)	(31,570)
Profit/(loss) before impairment losses	151,307	73,909	71,461	102,055	5,645	(14,286)	390,091
(Allowance)/writeback of allowance for impairment on loans and advances	(50,468)	(5,320)	(21,031)	-	1,752	(20,995)	(96,062)
Writeback of provision/(provision) for commitments and contingencies	1,385	(2,926)	(2,013)	-	-	14	(3,540)
Writeback of allowance for impairment on financial investment and other financial assets	(51)	-	(1,903)	(3,813)	-	-	(5,767)
Other recoveries	-	-	-	-	-	5	5
Profit/(loss) before taxation	102,173	65,663	46,514	98,242	7,397	(35,262)	284,727
Taxation	(24,645)	(13,332)	(10,773)	(22,230)	(1,339)	3,900	(68,419)
Profit/(loss) for the financial period	77,528	52,331	35,741	76,012	6,058	(31,362)	216,308
Other information							
Total segment assets	45,526,484	11,490,300	19,122,708	30,285,884	1,511,989	2,992,409	110,929,774
Total segment liabilities	37,447,800	9,044,599	10,493,800	31,700,779	659,270	12,119,460	101,465,708
Cost to income ratio	51.3%	29.5%	31.6%	14.3%	24.0%	>100.0%	43.9%
Gross loans and advances	45,440,309	11,598,671	18,295,742	-	1,328,653	(90,657)	76,572,718
Net loans and advances	44,621,020	11,478,449	17,984,205	-	1,328,353	(287,887)	75,124,140
Impaired loans and advances	683,239	213,027	291,578	-	300	-	1,188,144
Total deposits	37,008,394	8,930,733	10,317,822	28,768,825	653,297	743,847	86,422,918
Additions to:							
Property and equipment	958	23	144	139	-	1,950	3,214
Intangible assets	2,818	201	734	3,524	-	6,651	13,928

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

A28. PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 JUNE 2022

The Group registered a profit before taxation ("pre-tax profit") of RM364.5 million for the financial period ended 30 June 2022, representing an increase of RM79.8 million or 28.0% compared to the pre-tax profit for the corresponding period last year.

The increase in Group's profit before taxation for the period is attributable to lower net impairment allowance for loans and advances, financial investments, undrawn commitment and financial guarantees of RM100.8 million compare to the corresponding period last year. Net interest income increased by RM27.9 million mainly from loans and advances and lower funding cost.

The increase was partly offset by higher other operating expenses and lower other operating income mainly from investment and trading income.

The Group's impaired loans and advances ratio stood at 1.53% end June 2022. Loan loss coverage ratio including regulatory reserve is well above 100% at 132.9%.

The Group and the Bank remained well capitalised with risk weighted capital adequacy ratios of 16.78% and 16.65% respectively.

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

A29. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2023

Malaysia's gross domestic product ("GDP") improved further in the second quarter of 2022. While the market was expecting a 6.7% year-on-year ("YoY") growth, the actual GDP grew by 8.9% YoY after expanding 5.0% YoY in the previous quarter. This brings the average first half 2022 GDP to 6.9% YoY. Looking at the monthly economic performance, the economy expanded by 5.6% YoY in April 2022, 5.0% YoY in May 2022 and 16.5% YoY in June 2022, signalling robust improvement. The better performance in the second quarter of 2022 was due to the full reopening across all sectors in the economy, the high vaccination and booster rates, and also the opening of international borders in April 2022.

Following the strong first half 2022 performance, we now expect second half 2022 GDP to also perform well. Besides the low base, we foresee the economy to continue benefiting from strong export earnings backed by firm commodity prices, a still healthy global semiconductor environment, resource-based exports, and Foreign Direct Investment inflows. Also, domestic activities, primarily private expenditure, a pick-up in tourism activities, and improving employment will continue to lend support to the overall economic performance.

However, the upside to the economy is being contained by shortages of entry-level foreign workers and talents, on top of supply chain disruptions and high input costs. Besides domestic challenges, the Malaysian economy is still vulnerable to external shocks such as slower-than-expected economic growth, and some knock-on impact from the ongoing geopolitical risk. On that note, we have revised upwards our projection. Our base case GDP growth target for 2022 is now 6.4% with the upside at 6.7% and downside of 5.9%.

Malaysia's inflation is starting to gain some steam, accelerating from 2.3% in January 2022 to 3.4% in June 2022. This brings the average of inflation for the first half of 2022 to 2.5% (2.3% January to June 2021). Upwards pressure remains from cost-push dynamics induced by higher commodity prices and a weaker ringgit, which had fed into the inflation reading. Also, we may see low base effects in July, August, and September of 2022 readings as the local economy suffered the reintroduction of MCO 3.0 in 2021.

In addition, the notion of demand-pull inflation is starting to pick up. Unemployment has dipped to 3.8% in June 2022, the lowest level since the pandemic started, while core inflation has reached 3.0% YoY, the highest since 2016. This is further bolstered by other spending indicators such as credit card spending (jumped 49.9%) and debit card spending (surged 105.5%), and double-digit growth in retail spending at 31.3%. For the year 2022, we expect the annual inflation rate to hover around 2.8% to 3.0% with an upside surprise of 3.3%.

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

A29. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2023 (CONT'D.)

Meanwhile, the overall banking system loans grew 5.6% YoY in June 2022 and marking the new 3-year high. Household loans increase faster by 5.9% YoY, while non-household loans climbed 5.3% YoY supported by working capital loans. Overall, we envisaged the industry's loan growth to reach 5.0% to 6.0% for the full year of 2022.

The overall banking system remains healthy in 2022 underpinned by strong liquidity. Despite some dips, the liquidity coverage ratio stayed above the 100% regulatory requirement in June 2022 at 148.4%. Correspondingly, the sector's funding profile was well-diversified with June 2022's loan-to-fund ratio and loan-to-fund-and-equity ratio at 81.8% and 71.1% respectively.

Meanwhile, BNM has made its first rate hike move this year in May 2022, beating the market's expectation, on the back of a firming labour market and recovering domestic economy. In the subsequent Monetary Policy Committee meeting in July, BNM raised the overnight policy rate ("OPR") by another 25 basis points ("bps") to 2.25%. The hike was due to Malaysia's positive growth outlook coming from firm domestic demand, improving labour market, and transition into endemicity. Expectations are that the OPR will continue trending upwards and likely to stabilise at 2.50% to 2.75% in 2022 and settle at 3.25% in 2023. On that note, we have baked in another 25bps OPR rate hike in September 2022 with a probability of 40% for another 25bps in November 2022 supported by healthy potential incoming data that reflects a pick-up in demand pressures.

AmBank Group started its financial year ("FY") 2023 stronger on the back of positive economic momentum across all sectors. The Group remains committed in growing revenue, rebuilding capital and shoring up liquidity levels while closely monitoring asset quality and exerting cost discipline. At the same time, the Group continues to extend financial assistance to customers who are still in need. The Group's ongoing efforts remain focused on creating sustainable long-term value for all its stakeholders.

While there remain uncertainties and near-term volatilities amid growing concerns of global recession as well as the conflict in Ukraine, AmBank Group continues to forge ahead with the execution of its Focus 8 strategy. The Group's key focus in FY2023 include accelerating its digital transformation, forming strategic partnerships and embedding Environmental, Social and Governance ("ESG") considerations into its strategies, business and operations. These areas, once enhanced, will allow the Group to deliver more competitive integrated value propositions to its customers.

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

A30. VALUATION OF PROPERTY AND EQUIPMENT

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

A31. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

There was no significant event during the current financial quarter.

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

Dissolution of a wholly-owned dormant subsidiary

The Bank's wholly-owned subsidiary, Komuda Credit & Leasing, which commenced member's voluntary liquidation pursuant to Section 439(1)(b) of the Companies Act 2016 on 31 July 2013 was dissolved on 7 July 2022. As the subsidiary was dormant, there was no significant impact on the Group's statement of comprehensive income or statement of financial position arising from the dissolution.

Other than disclose above, there were no material changes in the composition of the Group and the Bank for the current financial quarter.

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

A33. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	10,958,376	11,640,100	11,038,376	11,717,400
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,938,838	1,619,911	1,938,838	1,619,911
Unutilised credit card lines	3,738,996	3,696,035	3,738,996	3,696,035
Forward asset purchase	228,999	50,143	228,999	50,143
Others	-	-	50	50
	<u>16,865,209</u>	<u>17,006,189</u>	<u>16,945,259</u>	<u>17,083,539</u>
Contingencies				
Direct credit substitutes	2,432,946	2,500,325	2,432,946	2,500,325
Transaction related contingent items	3,405,440	3,411,078	3,405,440	3,411,078
Short term self liquidating trade related contingencies	1,032,773	523,110	1,032,773	523,110
	<u>6,871,159</u>	<u>6,434,513</u>	<u>6,871,159</u>	<u>6,434,513</u>
Derivative Financial Instruments				
Foreign exchange related contracts				
- One year or less	34,265,625	41,939,583	34,265,625	41,939,583
- Over one year to five years	5,197,832	4,572,015	5,197,832	4,572,015
- Over five years	1,979,096	2,216,259	1,979,096	2,216,259
Interest rate related contracts				
- One year or less	11,524,449	12,051,407	11,524,449	12,051,407
- Over one year to five years	22,229,937	21,186,522	22,229,937	21,186,522
- Over five years	4,798,163	6,307,988	4,798,163	6,307,988
Equity and commodity related contracts				
- One year or less	1,559,022	1,570,386	1,559,022	1,570,386
- Over one year to five years	76,308	75,367	76,308	75,367
	<u>81,630,432</u>	<u>89,919,527</u>	<u>81,630,432</u>	<u>89,919,527</u>
Total	<u>105,366,800</u>	<u>113,360,229</u>	<u>105,446,850</u>	<u>113,437,579</u>

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

A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

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

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

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

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

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

About 3.2% of the Group's and the Bank's (31 March 2022: 3.7% of the Group's and the Bank's) total financial assets recorded at fair value, are based on estimates and recorded as Level 3 investments. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible. While such valuations are sensitive to estimates, it is believed that changing one or more of the assumptions to reasonably possible alternative assumptions would not change the fair value significantly.

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

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

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

	Group				Bank			
	Valuation technique			Total RM'000	Valuation technique			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
30 June 2022								
Financial assets measured at fair value								
Derivative financial assets	-	1,086,497	-	1,086,497	-	1,086,497	-	1,086,497
Financial assets at fair value through profit or loss								
- Money market securities	-	2,541,376	-	2,541,376	-	2,541,376	-	2,541,376
- Quoted shares	1,041,168	-	-	1,041,168	1,041,164	-	-	1,041,164
- Unquoted shares	-	-	31	31	-	-	-	-
- Quoted unit trust	13,315	-	-	13,315	13,315	-	-	13,315
- Quoted sukuk	-	12,507	-	12,507	-	12,507	-	12,507
- Unquoted corporate bonds and sukuk	-	565,676	-	565,676	-	565,676	-	565,676
Financial investments at fair value through other comprehensive income								
- Money market securities	-	7,570,332	-	7,570,332	-	7,570,332	-	7,570,332
- Unquoted shares	-	-	662,959	662,959	-	-	662,959	662,959
- Quoted unit trust	71,561	-	-	71,561	71,561	-	-	71,561
- Unquoted corporate bonds and sukuk	-	7,053,750	-	7,053,750	-	7,053,750	-	7,053,750
	<u>1,126,044</u>	<u>18,830,138</u>	<u>662,990</u>	<u>20,619,172</u>	<u>1,126,040</u>	<u>18,830,138</u>	<u>662,959</u>	<u>20,619,137</u>
Financial liabilities measured at fair value								
Derivative financial liabilities	<u>14,138</u>	<u>972,141</u>	<u>-</u>	<u>986,279</u>	<u>14,138</u>	<u>972,141</u>	<u>-</u>	<u>986,279</u>

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

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

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

	Group				Bank			
	Valuation technique			Total RM'000	Valuation technique			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
31 March 2022								
Financial assets measured at fair value								
Derivative financial assets	2,090	830,731	-	832,821	2,090	830,731	-	832,821
Financial assets at fair value through profit or loss								
- Money market securities	-	1,096,786	-	1,096,786	-	1,096,786	-	1,096,786
- Quoted shares	1,047,418	-	-	1,047,418	1,047,414	-	-	1,047,414
- Unquoted shares	-	-	31	31	-	-	-	-
- Quoted unit trust	12,466	-	-	12,466	12,466	-	-	12,466
- Quoted sukuk	-	13,315	-	13,315	-	13,315	-	13,315
- Unquoted corporate bonds and sukuk	-	505,888	-	505,888	-	505,888	-	505,888
Financial investments at fair value through other comprehensive income								
- Money market securities	-	6,494,294	-	6,494,294	-	6,494,294	-	6,494,294
- Unquoted shares	-	-	669,168	669,168	-	-	669,168	669,168
- Quoted unit trust	69,726	-	-	69,726	69,726	-	-	69,726
- Unquoted corporate bonds and sukuk	-	7,106,396	-	7,106,396	-	7,106,396	-	7,106,396
	<u>1,131,700</u>	<u>16,047,410</u>	<u>669,199</u>	<u>17,848,309</u>	<u>1,131,696</u>	<u>16,047,410</u>	<u>669,168</u>	<u>17,848,274</u>
Financial liabilities measured at fair value								
Derivative financial liabilities	<u>26,964</u>	<u>779,670</u>	<u>-</u>	<u>806,634</u>	<u>26,964</u>	<u>779,670</u>	<u>-</u>	<u>806,634</u>

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

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

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

Movements In Level 3 financial instruments measured at fair value

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

Group	Equity instruments at FVTPL RM'000	Equity instruments at FVOCI RM'000	Total RM'000
At 1 April 2022	31	669,168	669,199
Loss on revaluation of financial investments at FVOCI taken up in statement of comprehensive income	-	(6,209)	(6,209)
At 30 June 2022	<u>31</u>	<u>662,959</u>	<u>662,990</u>
	Equity instruments at FVTPL RM'000	Equity instruments at FVOCI RM'000	Total RM'000
At 1 April 2021	34	681,353	681,387
Loss on revaluation of financial assets at FVTPL taken up in statement of profit or loss	(3)	-	(3)
Gain on revaluation of financial investments at FVOCI taken up in statement of comprehensive income	-	2,666	2,666
Disposal	-	(14,857)	(14,857)
Addition	-	6	6
At 31 March 2022	<u>31</u>	<u>669,168</u>	<u>669,199</u>
		Equity instruments at FVOCI RM'000	Total RM'000
Bank			
At 1 April 2022		669,168	669,168
Loss on revaluation of financial assets at FVTPL taken up in statement of profit or loss		(6,209)	(6,209)
At 30 June 2022		<u>662,959</u>	<u>662,959</u>
		Equity instruments at FVOCI RM'000	Total RM'000
At 1 April 2021		681,353	681,353
Gain on revaluation of financial investments at FVOCI taken up in statement of comprehensive income		2,666	2,666
Disposal		(14,857)	(14,857)
Addition		6	6
At 31 March 2022		<u>669,168</u>	<u>669,168</u>

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

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

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2022	2022	2022	2022
	RM'000	RM'000	RM'000	RM'000
Financial assets at FVTPL				
Total loss included in:				
- profit or loss	-	(3)	-	-
Financial investments at FVOCI				
Total (loss)/gain included in:				
- other comprehensive income	(6,209)	2,666	(6,209)	2,666

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

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

Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

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

A35. CAPITAL ADEQUACY

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

	Group	Bank
Under transitional arrangement (Note (i))		
30 June 2022		
CET 1 Capital Ratio	12.082%	11.971%
Tier 1 Capital Ratio	12.082%	11.971%
Total Capital Ratio	16.776%	16.648%
31 March 2022		
CET 1 Capital Ratio	11.767%	11.659%
Tier 1 Capital Ratio	11.767%	11.659%
Total Capital Ratio	16.233%	16.109%

Notes:

- (i) Pursuant to the revised BNM policy document, Capital Adequacy Framework (Capital Component) issued on 9 December 2020, capital ratios of the Group and the Bank had been computed applying transitional arrangement on provision for ECL. Under the transitional arrangement, the Bank is allowed to add back the amount of loss allowance for non credit impaired exposure (ie. stage 1 and stage 2 provisions) to CET1 Capital. Had the transitional arrangement not been applied, the capital ratios of the Group and the Bank as at 30 June 2022 and 31 March 2022 are as follow:

	30 June 2022		31 March 2022	
	Group	Bank	Group	Bank
CET 1	11.725%	11.615%	11.274%	11.168%
Tier 1 Capital Ratio	11.725%	11.615%	11.274%	11.168%
Total Capital Ratio	16.617%	16.494%	16.086%	15.967%

- (ii) Pursuant to the above BNM's guideline on Capital Adequacy Framework (Capital Components), the minimum capital adequacy ratios to be maintained under the guideline are at 4.5% for CET 1 capital, 6.0% for Tier 1 capital and 8.0% for total capital ratio. In addition, banking institutions are also required to maintain capital buffers in form of CET 1 capital above the minimum CET 1 Capital, Tier 1 Capital and Total Capital adequacy levels. The capital buffers shall comprise the sum of the following:
- (a) a Capital Conservation Buffer ("CCB") of 2.5%;
 - (b) a Countercyclical Capital Buffer ("CCyB") determined as the weighted-average of the prevailing CCyB rates applied in the jurisdictions in which the Bank has credit exposures. BNM will communicate any decision on the CCyB rate by up to 12 months before the date from which the rate applies; and
 - (c) a Higher Loss Absorbency ("HLA") requirement for a financial institution that is designated as a domestic systemically important bank ("D-SIB").

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

A35. CAPITAL ADEQUACY (CONT'D.)

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
CET 1 Capital				
Share Capital	3,040,465	3,040,465	3,040,465	3,040,465
Retained earnings	6,727,681	6,470,027	6,781,724	6,524,068
Fair value reserve	160,488	293,346	160,488	293,346
Foreign currency translation reserve	101,069	88,488	104,871	92,301
Regulatory reserve	121,727	94,463	121,727	94,463
Merger reserve	104,149	104,149	-	-
Cash flow hedging deficit	(7,864)	(9,062)	(7,864)	(9,062)
Less: Regulatory adjustments applied on CET 1 Capital				
- Intangible assets	(213,990)	(221,538)	(213,990)	(221,538)
- Deferred tax assets	(164,126)	(158,227)	(164,126)	(158,227)
- 55% of cumulative fair value gains in fair value reserve	(88,268)	(161,340)	(88,269)	(161,340)
- Cash flow hedging deficit	7,864	9,062	7,864	9,062
- Regulatory reserve	(121,727)	(94,463)	(121,727)	(94,463)
- Investment in ordinary shares of unconsolidated financial entities	-	-	(8,488)	(8,488)
- Unrealised fair value gains on financial liabilities due to changes in own credit risk	(1,352)	(648)	(1,352)	(648)
- Other CET1 regulatory adjustments specified by the BNM	294,529	413,454	294,532	413,471
Total CET 1 Capital	9,960,645	9,868,176	9,905,855	9,813,410
Additional Tier 1 Capital				
Qualifying CET 1, Additional Tier 1 capital instruments held by third parties	2	2	-	-
Total Tier 1 Capital	9,960,647	9,868,178	9,905,855	9,813,410
Tier 2 Capital				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	3,095,000	3,095,000	3,095,000	3,095,000
Qualifying CET 1, Additional Tier 1 and Tier 2 capital instruments held by third parties	1	1	-	-
General provisions*	775,478	650,038	775,523	650,081
Total Tier 2 capital	3,870,479	3,745,039	3,870,523	3,745,081
Total Capital	13,831,126	13,613,217	13,776,378	13,558,491

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

	Group		Bank	
	30 June 2022 RM'000	31 March 2022 RM'000	30 June 2022 RM'000	31 March 2022 RM'000
Credit RWA	75,065,851	75,218,030	75,382,868	75,535,958
Market RWA	1,642,332	2,859,494	1,642,291	2,859,665
Operational RWA	4,880,632	4,802,415	4,870,431	4,792,198
Large exposure risk RWA for equity holdings	854,818	980,771	854,818	980,771
Total RWA	82,443,633	83,860,710	82,750,408	84,168,592

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

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

A36. RESTATEMENT OF COMPARATIVE INFORMATION

In March 2022, the Group and the Bank conducted a review on the classification of its unrated bonds and sukuk and reclassified the instruments from loans and advances 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 period's presentation, which resulted in the following financial effects to the statements of the Group and of the Bank:

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Reconciliation of statements of profit or loss			
Individual quarter/cumulative quarter			
Group			
Allowance for impairment on loans and advances	(96,685)	623	(96,062)
Impairment loss on financial investments	(3,139)	(623)	(3,762)
Bank			
Allowance for impairment on loans and advances	(96,689)	623	(96,066)
Impairment loss on financial investments	(3,139)	(623)	(3,762)