The Preferred Bank of Business Owners

Analyst Briefing
1HFY22

26 November 2021

ALLIANCE BANK

Contents

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1HFY22 Performance Highlights

1 Revenue & Profitability

- **Revenue** grew **4.5% y-o-y** to **RM935.9 million**
- **Net interest income** grew **8.5% y-o-y**, mainly from funding optimisation
  - **Net interest margin** improved to **2.49%** (+19 bps YTD)
- **Non-interest income** declined **7.3% y-o-y**
- **Cost to Income Ratio** improved to **41.6%**
  - **Positive JAWS: +1.4%**
- **PPOP** grew **5.5% y-o-y** to **RM547.0 million**
- **Net profit after tax grew 53.1% y-o-y to RM318.8 million**

2 Effective Risk Management

- **Net credit cost** at 29.3 bps (including management overlays of 19.6 bps) [vs 56.3 bps in 1HFY21]
- **Liquidity** and **capital positions** remained **strong**
  - Healthy funding, with **CASA ratio** at **49.6%** (top end of the industry)
  - **Liquidity coverage ratio** at **165.7%**
  - **CET-1 ratio: 17.1%; Total capital ratio: 22.3%**

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Revenue up 4.5% y-o-y, NPAT up 53.1% y-o-y

Income Statement	1HFY21 RM mil	1HFY22 RM mil	Y-o-Y Change Better / (Worse)	
			RM mil	%
Net Interest Income	666.5	723.2	56.7	8.5%
Non-Interest Income	229.5	212.8	(16.8)	(7.3%)
Revenue	**896.1**	**935.9**	**39.9**	**4.5%**
OPEX	377.3	388.9	(11.6)	(3.1%)
Pre-Provision Operating Profit (PPOP)	**518.7**	**547.0**	**28.3**	**5.5%**
Net Credit Cost & Impairments	246.0	128.7	117.3	47.7%
- BAU	36.7	42.4	(5.7)	(15.5%)
- Management Overlays	209.3	86.3	123.0	58.8%
Pre-tax Profit	**272.8**	**418.3**	**145.5**	**53.4%**
Net Profit After Tax	**208.3**	**318.8**	**110.5**	**53.1%**

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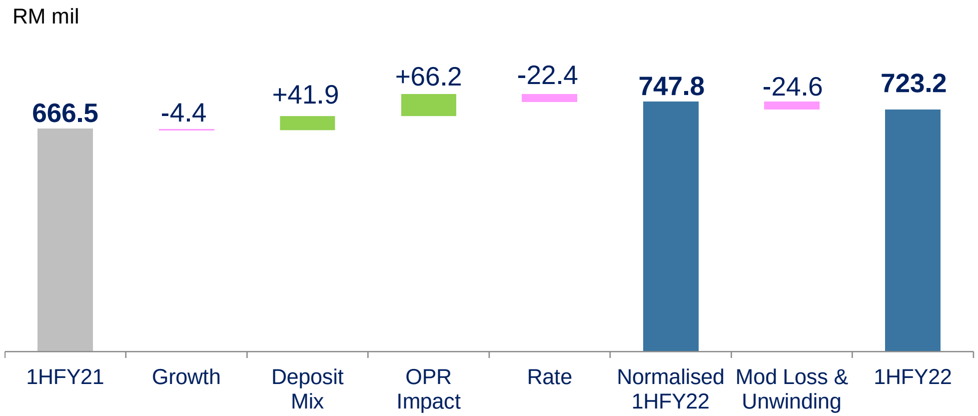
Net interest income grew 8.5% y-o-y

a) Net interest income grew 8.5% y-o-y mainly driven by deposit optimisation and repricing of FDs post-OPR cuts:

Y-o-Y impact:

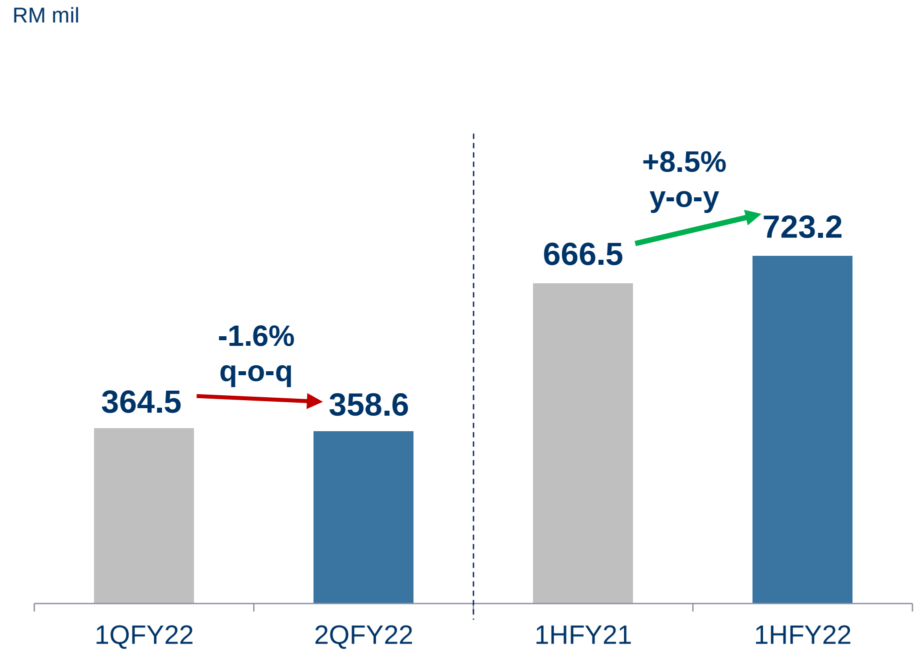


YoY Impact	-0.6%	+6.3%	+9.9%	-3.4	**+12.2%**	-3.7	**+8.5%**

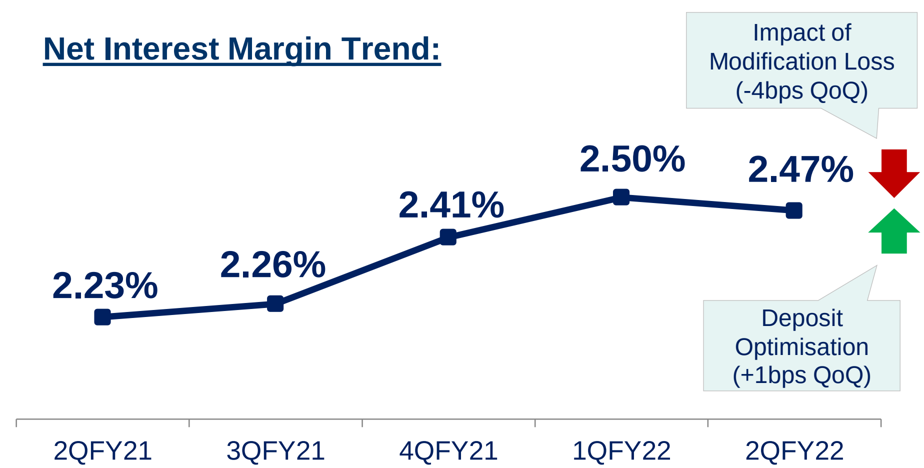
b) 2QFY22 NIM = 2.47% (-3bps QoQ) due to mod loss impact. 1HFY22 NIM = 2.49% (+19bps vs FY21: 2.30%).

c) FY22 NIM guidance: revised from 2.35% to > 2.40%

Net Interest Income



Net Interest Margin Trend:



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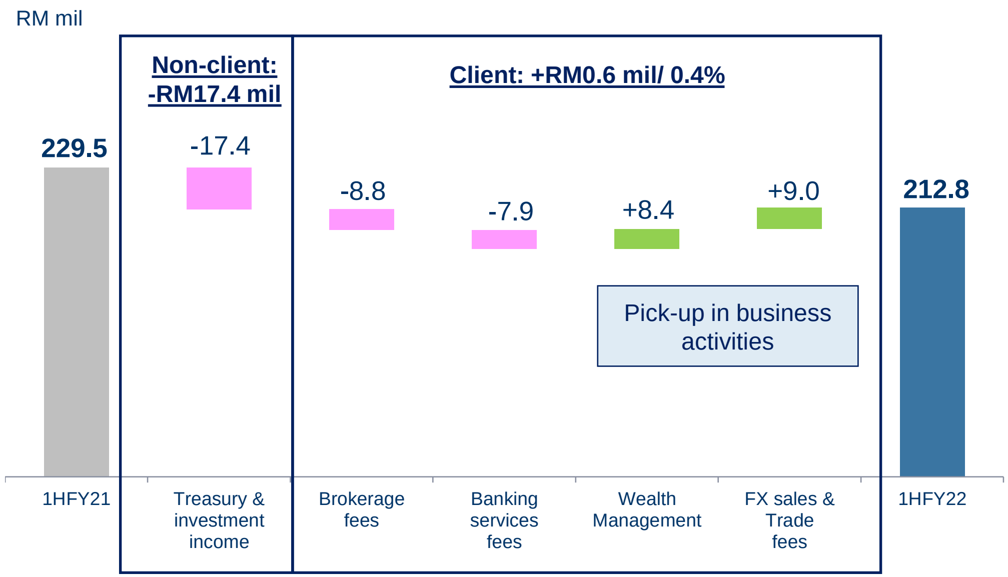
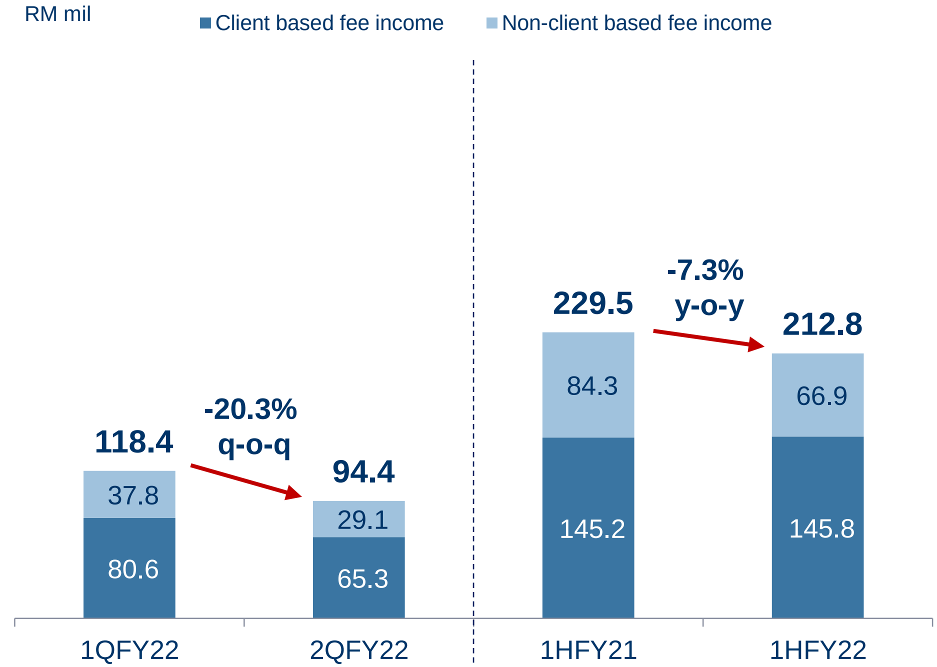
Client based fee income improved marginally

- Non-interest income declined 7.3% y-o-y mainly due to lower treasury & investment income:



Non-interest income



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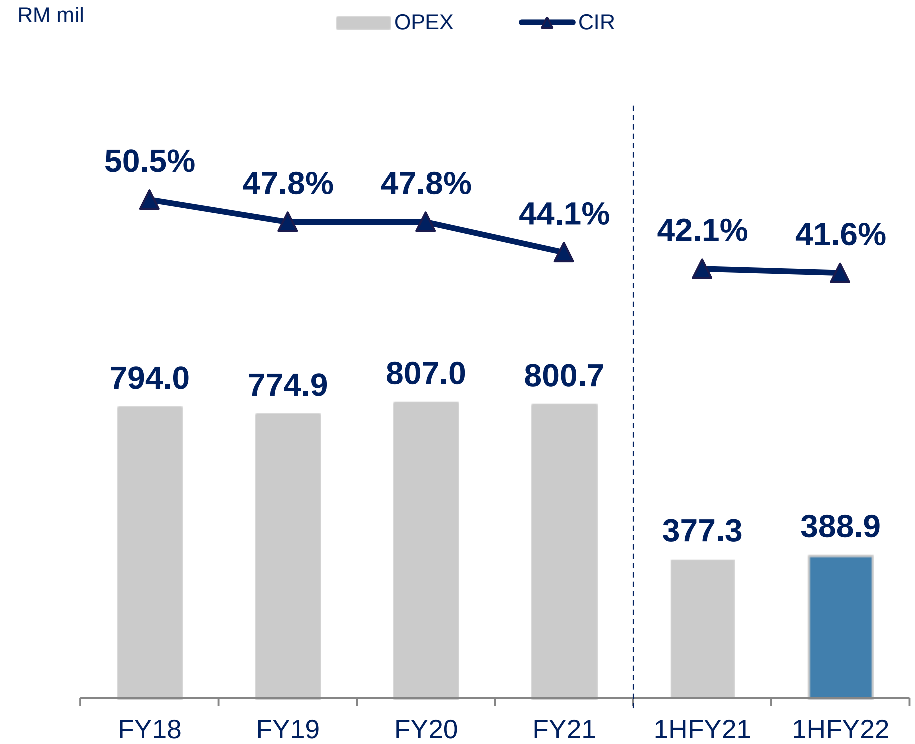
Cost to Income Ratio improved to 41.6%

a) Operating expenses up 3.1% y-o-y:
   - ➢ Higher personnel expenses from investment in sales force and expansion of collections team.

b) Cost to income ratio improved to 41.6%, mainly driven by revenue growth.

c) Revised FY22 cost to income ratio guidance: within 44%.

Operating Expenses



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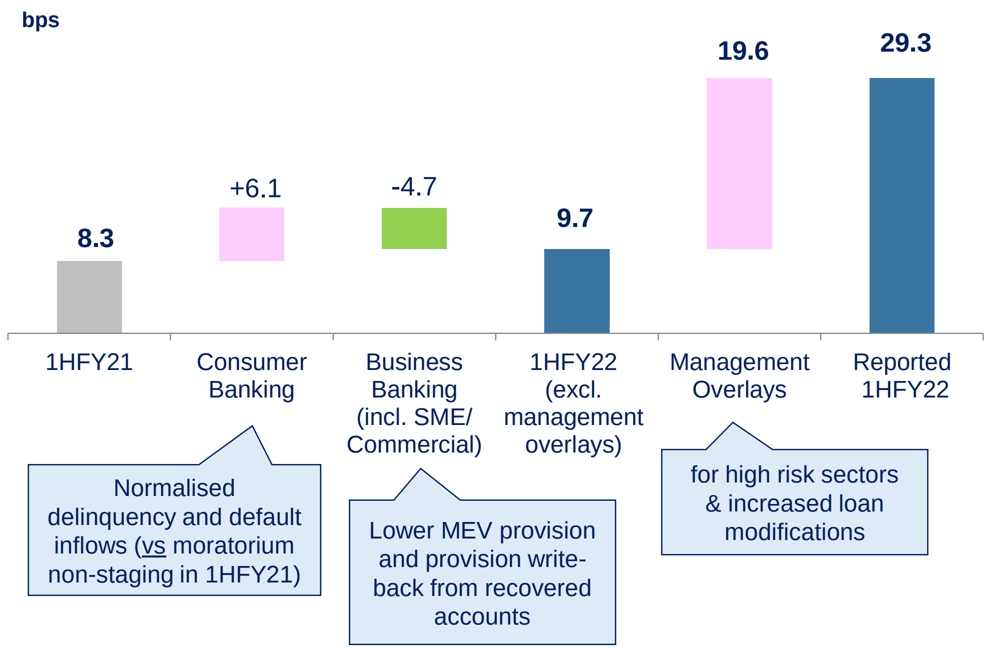
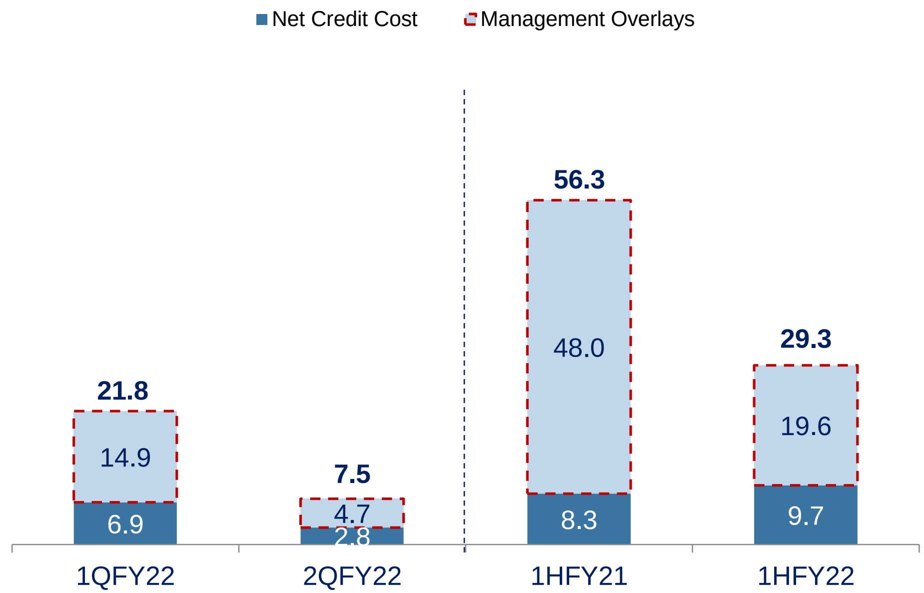
Net credit cost at 29.3bps (management overlays 19.6bps)

a) 1HFY22 net credit cost at 29.3bps [vs 56.3 bps last year] (of which 19.6 bps or 67% for management overlays).

b) BAU net credit cost higher by 1.4 bps y-o-y:



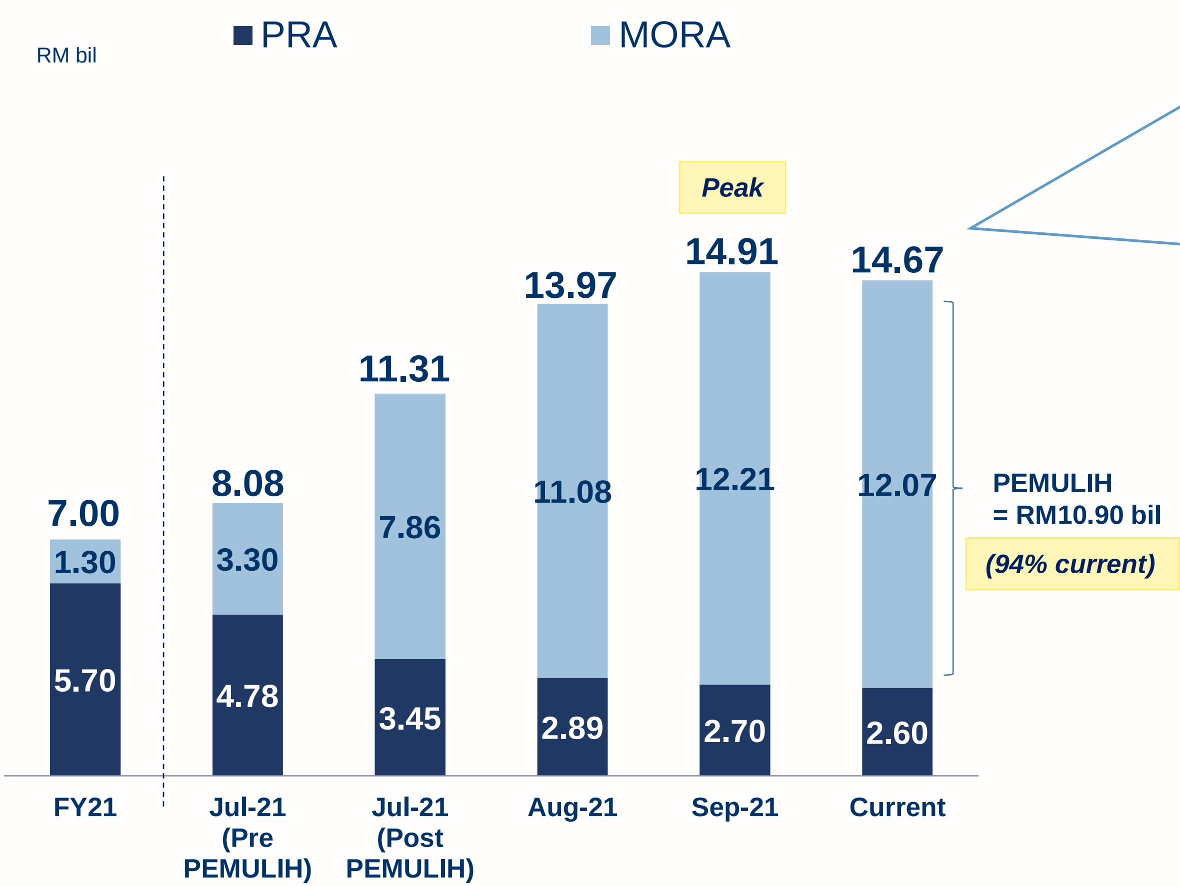
Net Credit Cost (bps)

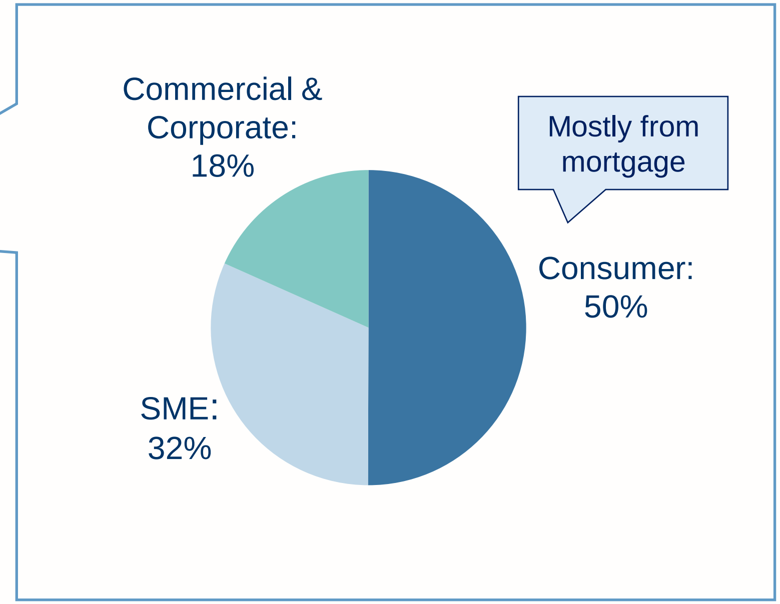


c) FY22 net credit cost guidance: revising to <75 bps.

Continue providing financial assistance to customers

Financial Assistance: RM14.67 billion (33% of loan book)





- **Financial assistance increased to RM14.67 billion**
- **RM10.90 billion are under the PEMULIH moratorium:**
  - New enrolments: RM6.93 billion
  - Switch-over from existing targeted assistance: RM3.97 billion
  - Majority of the PEMULIH enrolments were for a 6-month moratorium (mostly from Mortgage & SME)

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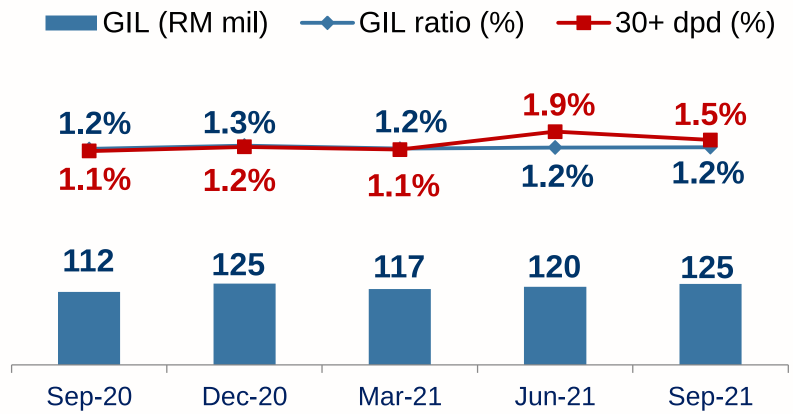
SME: stable asset quality post moratorium

SME



- **97.2% current**
- **GIL ratio** stable at 1.2% (no major impairment)
- **30+dpd** stabilised in Sep-21 due to enrolment into PEMULIH moratorium
  - ➢ **95%** of new 30+dpd granted moratorium / PRA

How are we mitigating these risks?

Portfolio Management

- **Financial assistance**: RM4.6B or **45% of SME loan book**

SME ***(by sectors)***	Red	Amber	Green
ENR	RM556m	RM1.4B	RM8.3B
Financial assistance	RM329m (59%)	RM758m (54%)	RM3.5B (43%)

Note: Red/Amber/Green reclassified - reviewed on quarterly basis.

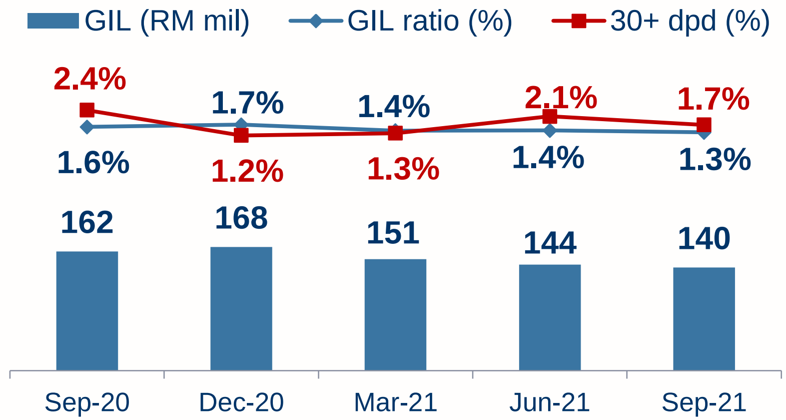
- Continue to provide **assistance** (if require further help)
- Improve **early warning** process:
  - ➢ Collection forums (weekly) & portfolio reviews (twice monthly)
  - ➢ Closely monitor watchlist & delinquents individually
- Proactive **remedial** measures

Origination

- **Focus lending** on industries under **Green & Amber segments** and remain prudent & selective for Red segment
  - ➢ Enhanced / simplified **underwriting criteria** for targeted segments
- Enhanced **on-boarding measures** to assess latest financials / mitigate outdated information

Corporate & Commercial: asset quality remained stable

Corporate & Commercial



- **GIL ratio** stable at 1.3% (no major impairment)
- **30+dpd** stabilised in Sep-21:
  - Due to accounts granted moratorium / PRA

How are we mitigating these risks?

Portfolio Management

- **Financial assistance**: RM2.7B or **26% of GCC loan book**

GCC *(by sectors)*	**Red**	**Amber**	**Green**
ENR	RM1.0B	RM4.6B	RM4.8B
Financial assistance	RM328m (33%)	RM1.0B (21%)	RM1.4B (29%)

Note: Red/Amber/Green reclassified - reviewed on quarterly basis.

- **Improved early warning process:**
  - Portfolio review (once a month)
  - Closely monitor the watchlist individually
- **For high-risk accounts:**
  - RMs in more frequent contact to extend assistance (if required)
  - De-risking actions: reducing exposure/line & obtain additional security
  - Management overlays

Origination

- **Tighter credit criteria** for customers in high risk segment
- **Enhanced project financing assessment**: more selective & stringent
- **Enhanced stress testing** on borrowers' financial capability

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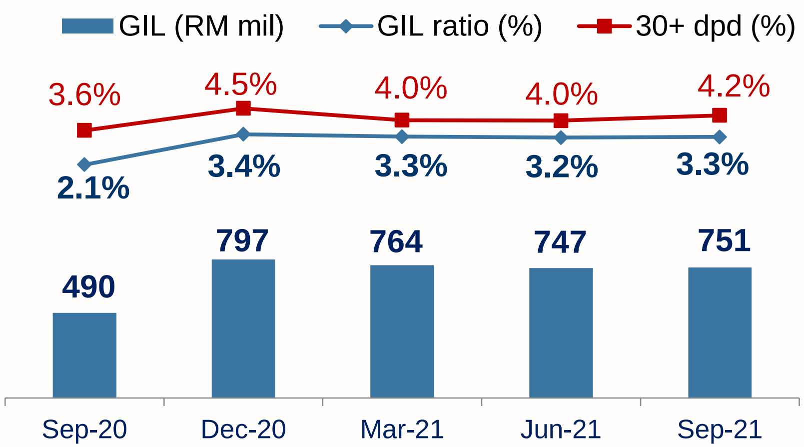
Consumer: proactive mitigation actions to contain portfolio

Consumer



<u>Note:</u> Lower 30+dpd and GIL ratio in Sep-20 due to non-staging during moratorium and GIL continue to charge off after 180+dpd.

How are we mitigating these risks?

Origination

- **Temporary tightening policy** has been effective in maintaining the bookings quality during COVID
- **Oct21**: **Recalibrated** the **duo score** cutoff to single internal score with the suspension of CTOS service

Portfolio Management

- **Financial assistance**: **RM7.3B** (Mortgage: RM6.4B; PL: RM0.9B)

> MIA 2 (RM348m) 5%	MIA 1 (RM496m) 7%	MIA 0 (RM6.5b) 88%
✓ Tactical waiver to pushback customers ✓ Ensure sufficient management overlays ✓ Engagement via Collection Team ✓ Offer longer-term PRA or combo packages (if required)	✓ WhatsApp campaign (20% response rate) ✓ Offer 50% instalment for 6 months or longer-term PRA (if required) ✓ Consideration for higher ECL overlays	✓ Upon expiry: majority to resume normal repayment ✓ Offer 50% instalment for 6 months (if required) via WhatsApp

GIL Management

- **Offer interest rebate** to help customers regularise repayment
- **Increased collection call capacity** and **intensity**
- Resume **auction activities** post lockdown

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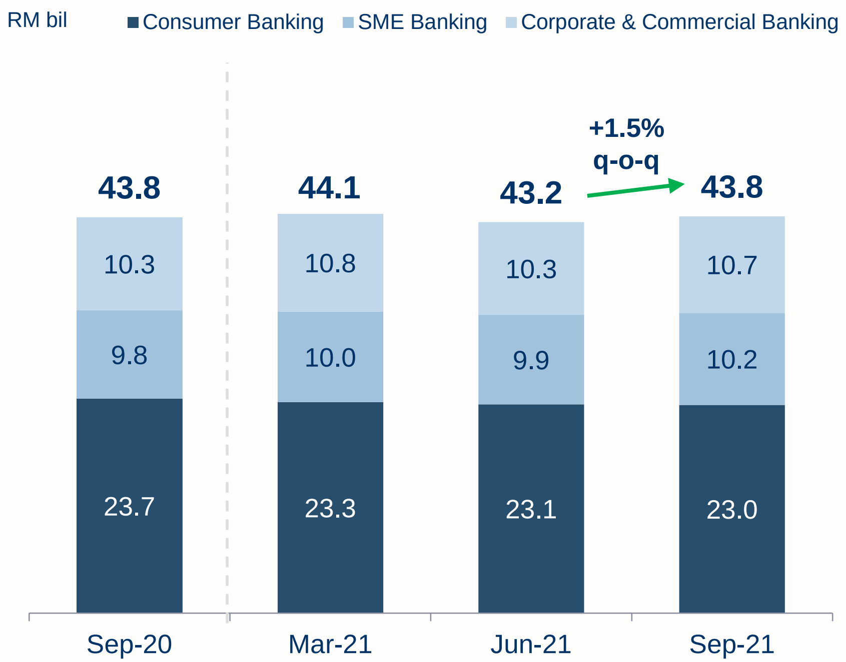
Steady loans growth quarter-on-quarter

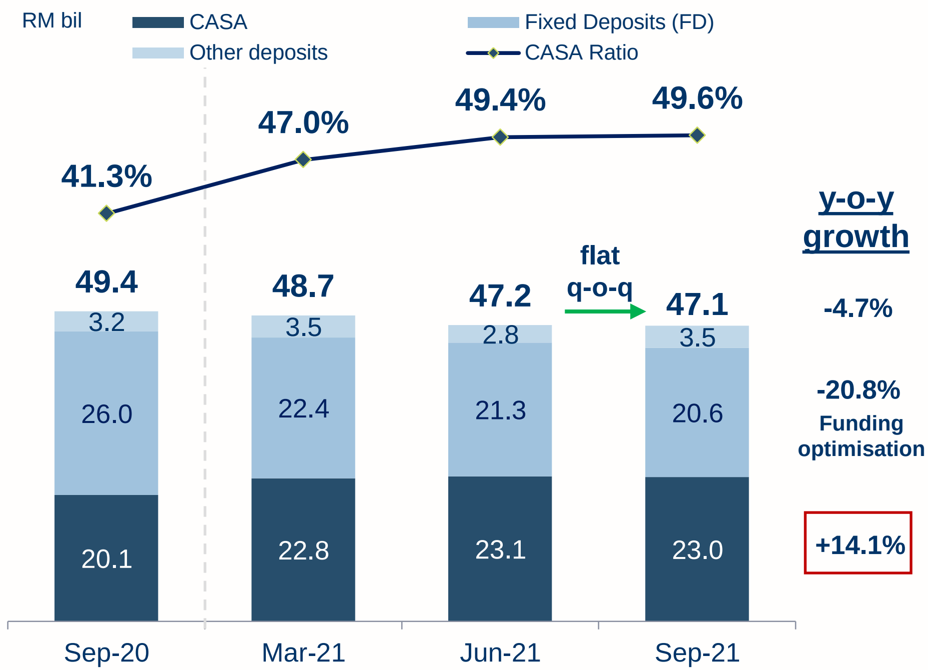
Gross Loans



a) Loans growth: **+1.5% q-o-q**

- SME: +3.0% q-o-q (mainly from TRRF)
- GCC: +3.8% q-o-q
- Consumer Banking: flat q-o-q
  - ➢ Share Margin Financing: +5.6% q-o-q
  - ➢ Mortgage: -0.6% q-o-q

Customer Based Funding



a) Customer based funding: flat q-o-q

b) **CASA**: flat at RM23 billion:

- Alliance SavePlus: +RM212 mil q-o-q
- Alliance@Work: +RM102 mil q-o-q

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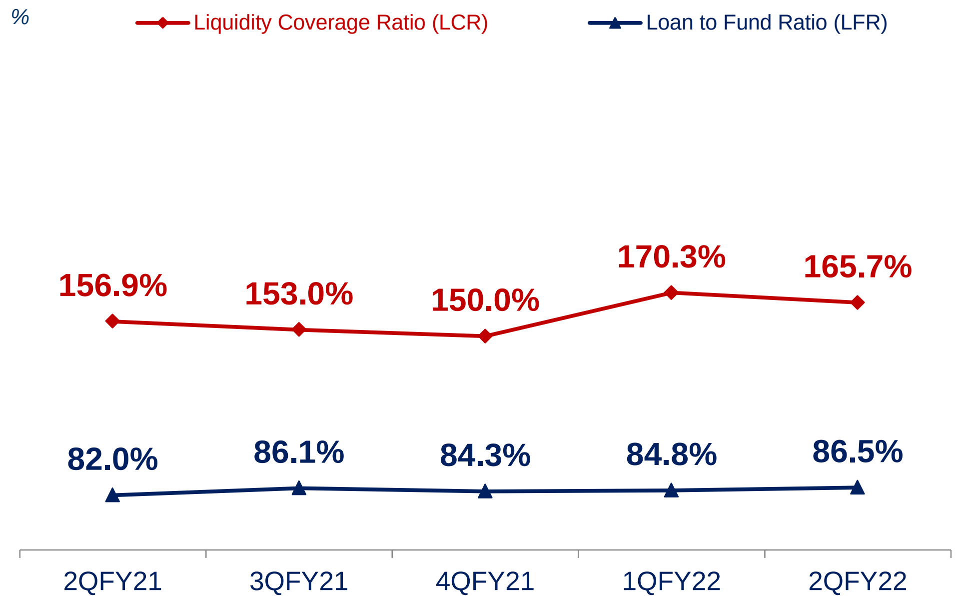
Liquidity and capital position remain strong

Liquidity: LCR, LFR



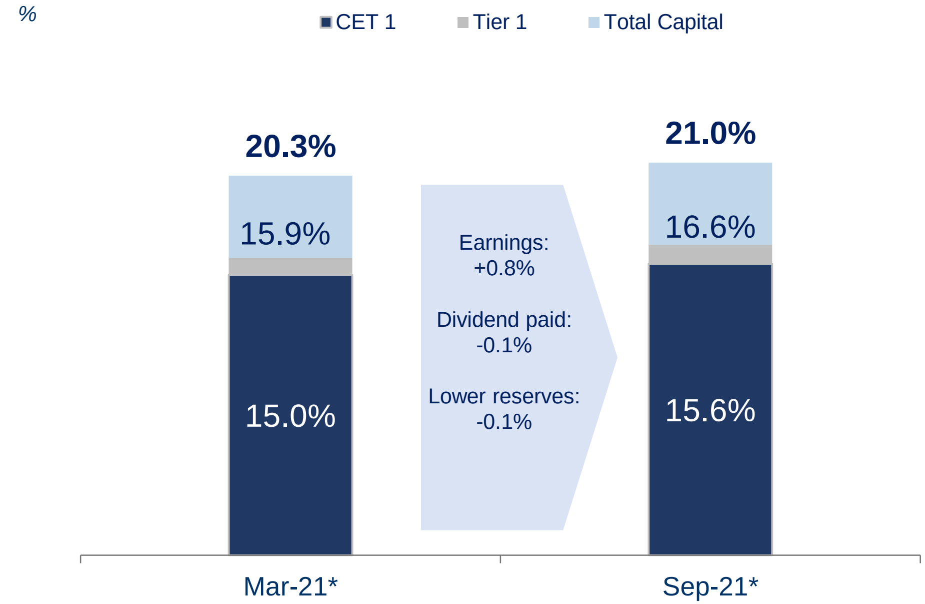
a) Liquidity coverage ratio (LCR): 165.7% (industry*: 154.4%)

b) Loan to fund ratio: 86.5% (industry*: 80.7%)

c) Net stable funding ratio (NSFR): 126.5%

* BNM Monthly Statistical Bulletin Sep 2021

Capital Position



a) Strong capital position (even without transitional arrangement)

b) Continue to support future business expansion:
   - ➢ Prioritising capital conservation through earnings retention due to COVID-19 uncertainties

** Capital ratios without transitional arrangement*
[with transitional arrangement: CET 1 ratio: 17.1%, Tier 1 ratio: 18.0% & Total Capital ratio: 22.3%].

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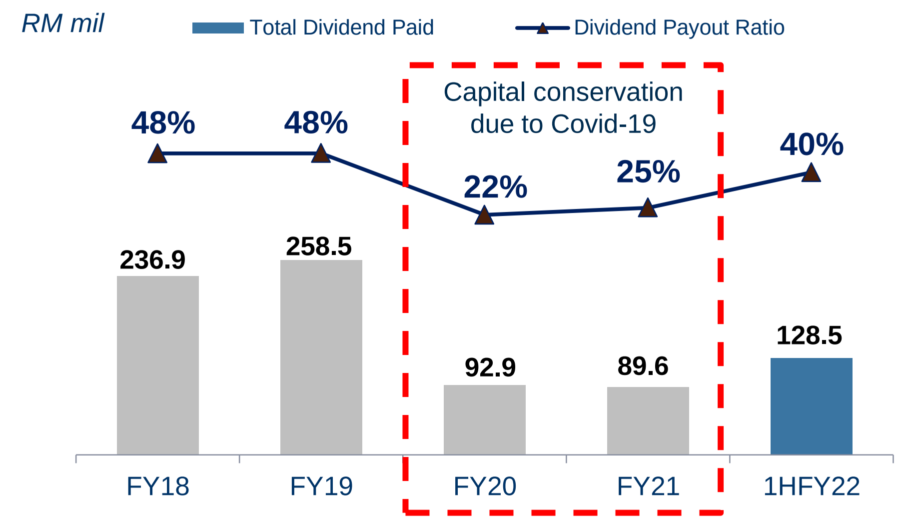
1HFY22 dividend payout at 40% (above FY21 payout of 25%)

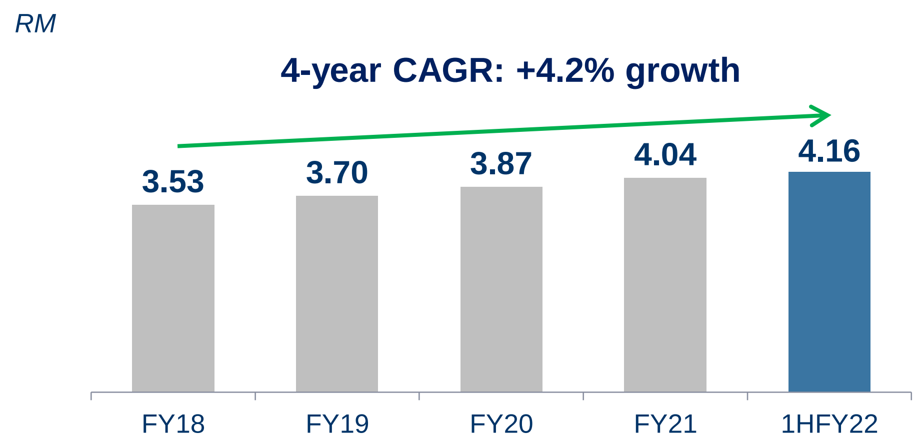
a) Dividend:
- Declared 1st interim dividend: 8.30 sen
- Dividend payout ratio at 40%

b) Net asset per share grew steadily to RM4.16 (4-year CAGR: +4.2%)

Dividend and Payout Ratio



Net Assets per Share

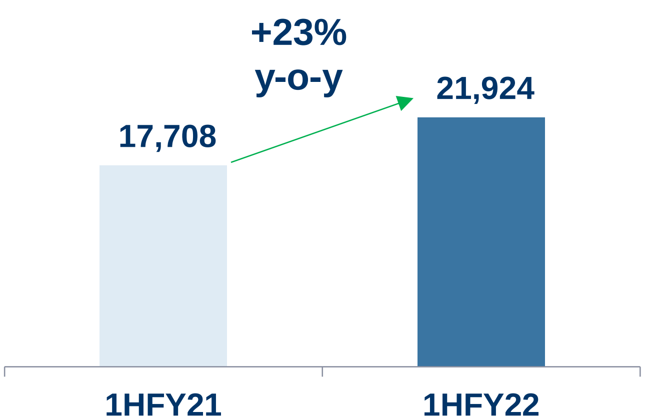


Contents

Continued good progress

1 Acquire more customers

Number of New-to-Bank customers



Action plan

SME & Commercial banking:

- **Leveraging** on government capital guarantee schemes
- **Launched additional new credit test cells** to improve SME loan acquisition

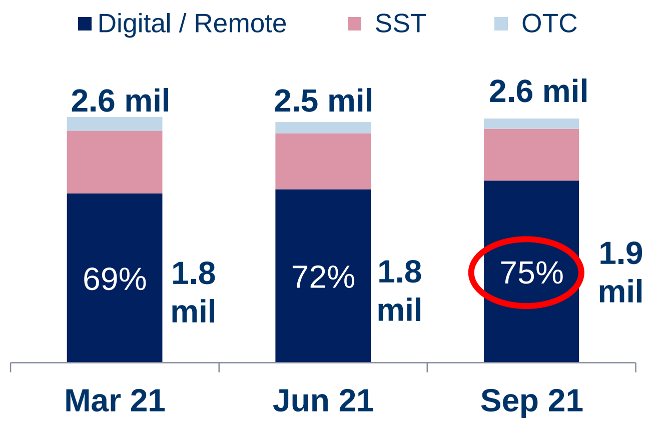
Consumer banking:

- **Partner-in-sales:** Accelerate referrals focusing on low risk / quality segments
- **Digital acceleration & Channel expansion:** Launch of new channel (Shopee store)

2 Deepen customer engagement

Customer digital adoption

Account Transactions by Channel Type (Average/Month)



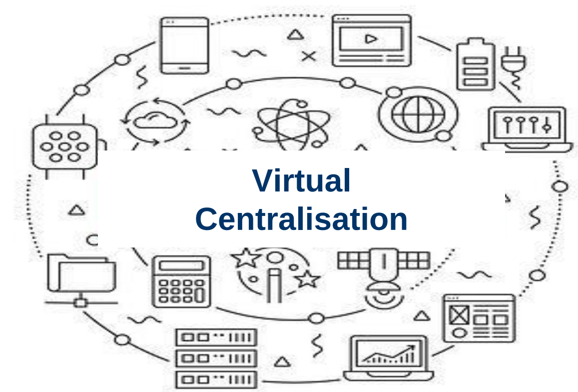
Action plan

Dual relationship Business Owners :

- Acquired **>1,700 new business owners YTD**
  - ✓ **Rolled out 19 Universal Bankers** branches so far (co-locating with SME centres), aiming to reach 30 branches for FY2022
  - ✓ **Improving new-to-bank** & **existing-to-bank customer acquisition**

3 Gain efficiencies

Virtual centralisation model



- A **remote working model** that allows **centralized work task** to be **allocated** virtually
- To effectively leverage on availability of resources without the limit of geographical location.
- **Eligible departments**:
  - ✓ Less dependent on physical presence (e.g. back office)
  - ✓ Minimum on-site supervision/ support required
  - ✓ Tasks being routed via workflow system

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Sustainability Updates

Our Sustainability Purpose leads to Key Priorities in the Environment and Social space

Sustainability Purpose

1. We help business owners adopt ESG practices in a way that creates value for the business, the community and environment in which they operate.

2. We aim to create a meaningful impact on sustainability in collaboration with our people and our community.

FY2025 TOPLINE GOALS

1. Grow RM5 billion in new sustainable banking business
2. Help customers adopt sustainable lifestyles & business practices
3. Reduce the Bank's greenhouse gases (GHG) emission footprint

Key Priorities:

Driving Sustainability (Environment)

1. Rolled out ESG Screener to categorize all accounts according to BNM's CCPT*
2. Committed to generate RM5 billion of new sustainable businesses by FY2025
3. Partnered with MGTC^ & Bursa to help customers adopt sustainability practices

Empowering Communities (Social)

4. Collaborate with strategic partners to promote financial literacy to vulnerable communities
5. Empower SMEs via education, upskilling and financing
6. Support digital transformation via digital solutions

Enhanced Sustainability Disclosures

** BNM's Climate Change and Principle-based Taxonomy*
^ Malaysian Green Technology and Climate Change Corporation

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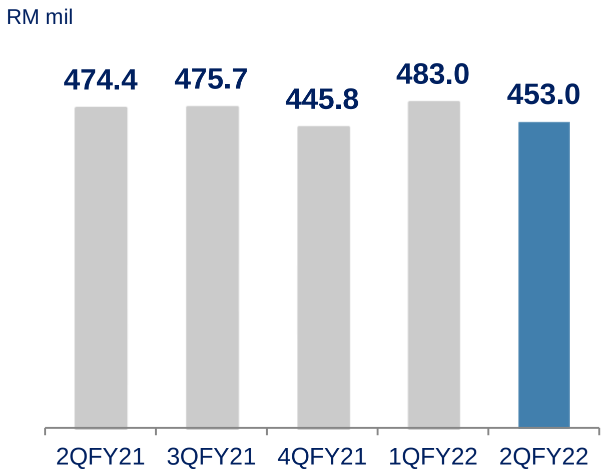
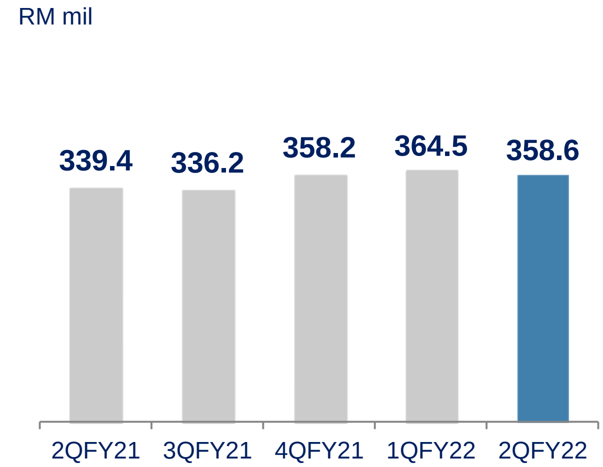
Contents

2QFY22 NPAT grew 26.7% y-o-y to RM172.7 mil

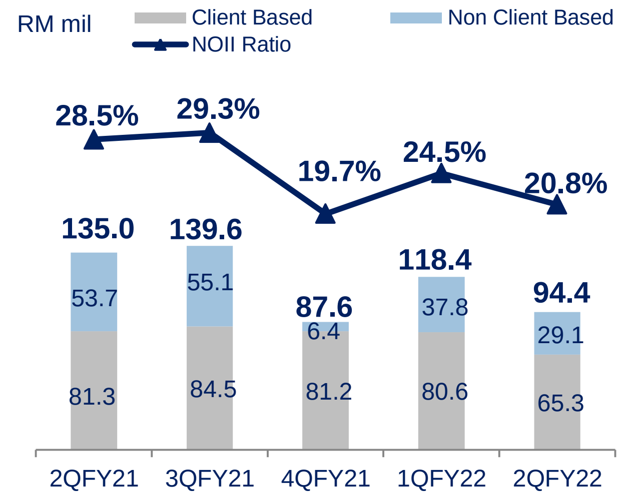
Revenue



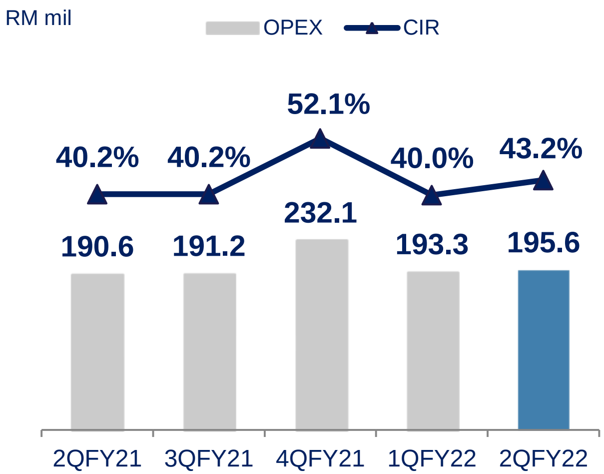
Net Interest Income & Islamic Net Financing Income



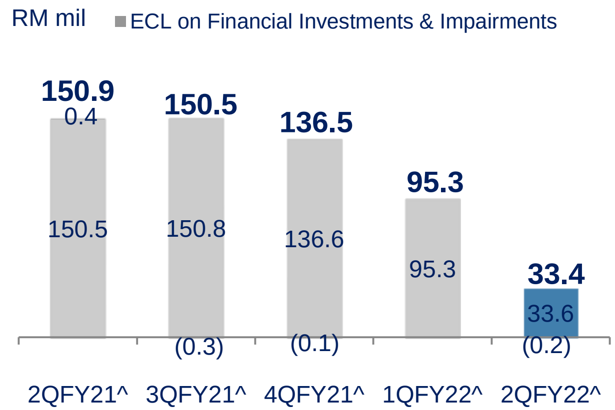
Non Interest Income & NOII Ratio



Operating Expenses & CIR Ratio

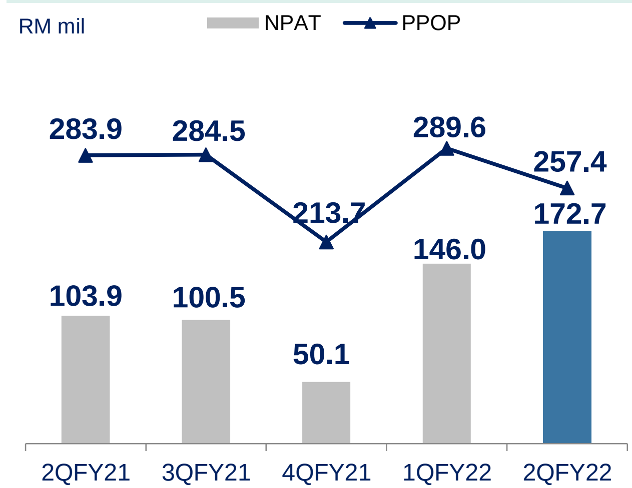


Expected Credit Losses ("ECL") & Goodwill Impairments



^ Management overlays in 2QFY21 (RM151.1m) & 3QFY21 (RM14.3m) mainly for borrowers under 3 months extended moratorium and payment relief assistance (PRA); 4QFY21 (RM89.2m) for overlay basis revision, mora/PRA & few specific business accounts; 1QFY22 (RM65.3m) & 2QFY22 (RM21.1m) for mora/PRA & habitual delinquency

Pre-Provision Operating Profit & Net Profit



Note: Revenue and non interest income includes Islamic banking income

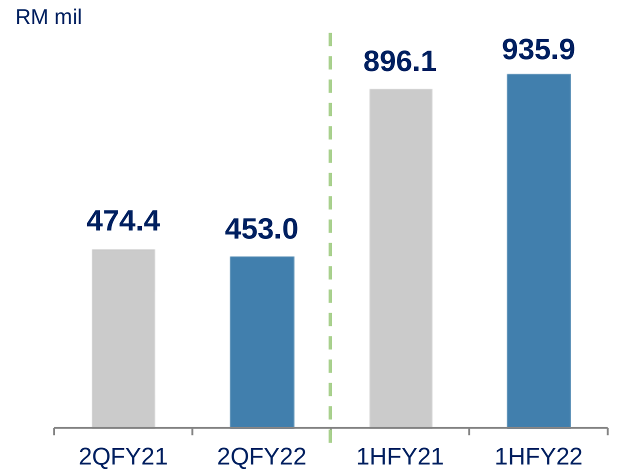
Income Statement	1QFY22 RM mil	2QFY22 RM mil	Q-o-Q Change Better / (Worse)	
			RM mil	%
Net Interest Income	276.6	274.1	(5.9)	(1.6%)
Islamic Net Financing Income	87.9	84.5		
Islamic Non-Financing Income	16.0	6.9	(24.0)	(20.3%)
Non-Interest Income	102.5	87.5		
Net Income*	**483.0**	**453.0**	**(30.0)**	**(6.2%)**
OPEX	193.3	195.6	(2.3)	(1.2%)
Pre-Provision Operating Profit (PPOP)	**289.6**	**257.4**	**(32.2)**	**(11.1%)**
Net Credit Cost	95.3	33.6	61.7	64.8%
Expected Credit Losses on Financial Investments	0.0	(0.2)	0.2	>100%
Pre-tax Profit	**194.3**	**224.0**	**29.6**	**15.3%**
Net Profit After Tax	**146.0**	**172.7**	**26.7**	**18.3%**

- **Revenue** declined by 6.2% q-o-q:
  - ➢ Net interest income: -RM5.9mil or 1.6% q-o-q.
  - ➢ Non-interest income: -RM24.0mil q-o-q:
    - ✓ Lower client based fee income (-RM15.3mil)
    - ✓ Lower treasury & investment income (-RM8.7mil)
- **Operating expenses** higher by RM2.3mil mainly from higher marketing expenses and IT expenses.
- **Pre-provision Operating Profit (PPOP)** declined by 32.2% q-o-q to RM257.4mil.
- **Net credit cost** improved by RM61.7mil mainly due to lower management overlays and BAU net credit cost.
- **Net profit after tax** grew by RM26.7mil mainly due to lower management overlays.

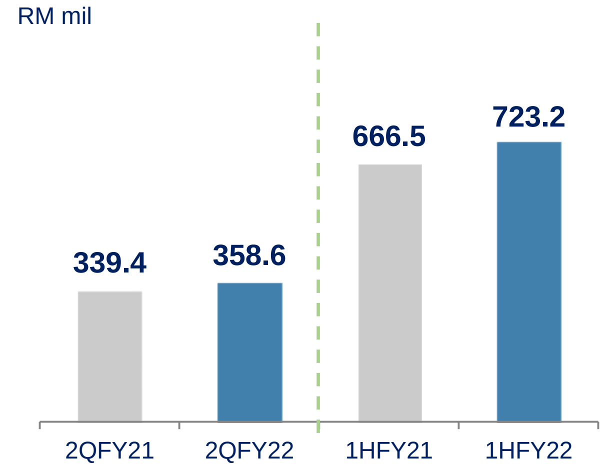
Notes:
** Revenue, net interest income and non interest income includes Islamic banking income*

1HFY22 NPAT grew 53.1% y-o-y to RM318.8 million

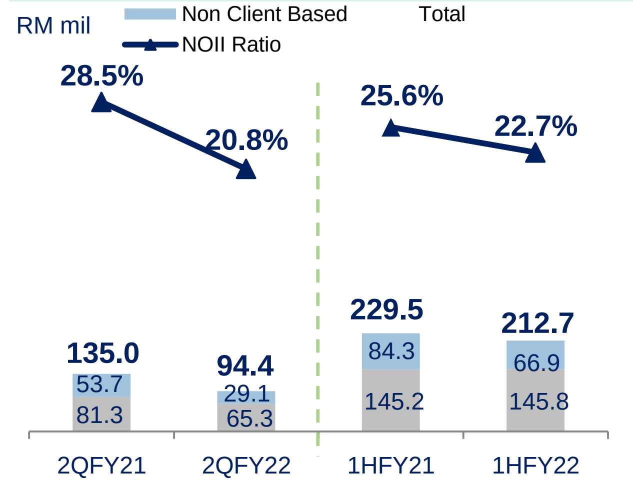
Revenue



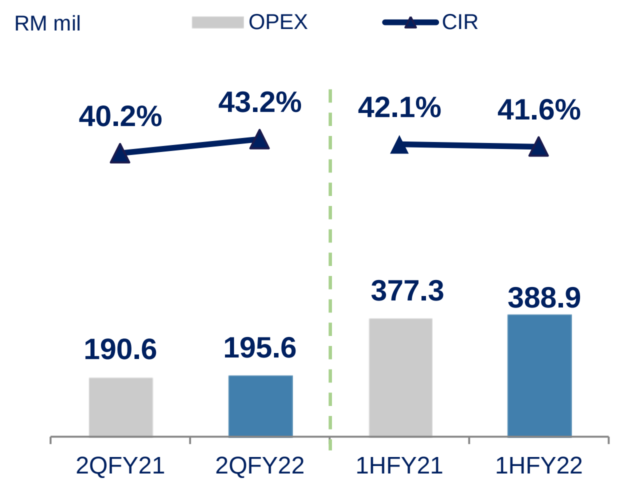
Net Interest Income & Islamic Net Financing Income



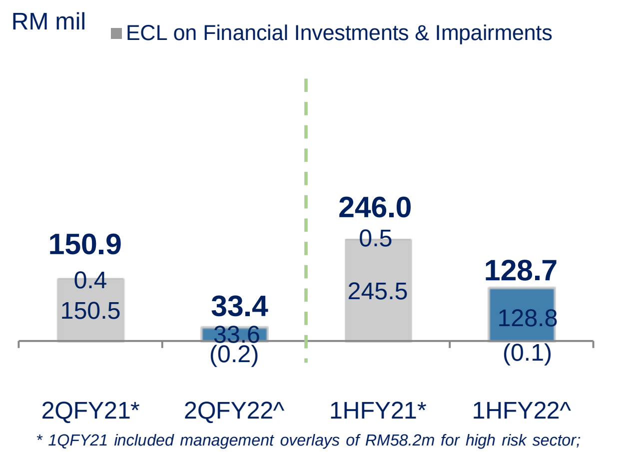
Non Interest Income & NOII Ratio



Operating Expenses & CIR Ratio

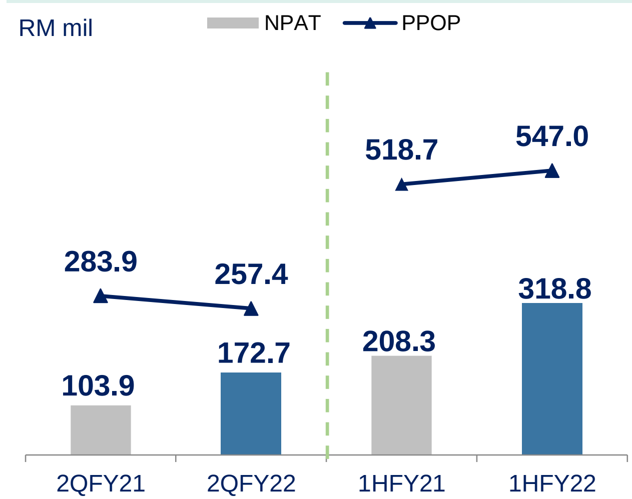


Expected Credit Losses ("ECL") & Goodwill Impairment



** 1QFY21 included management overlays of RM58.2m for high risk sector; 2QFY21 (RM151.1m) mainly for borrowers under 3 months extended moratorium and payment relief assistance (PRA)*
^ 1QFY22 (RM65.3m) & 2QFY22 (RM21.1m) for mora/PRA & habitual delinquency

Pre-Provision Operating Profit & Net Profit



2Q FY2022:
Y-o-Y Income Statement

Income Statement	2QFY21 RM mil	2QFY22 RM mil	Y-o-Y Change Better / (Worse)	
			RM mil	%
Net Interest Income	254.9	274.1	19.2	5.7%
Islamic Net Financing Income	84.5	84.5		
Islamic Non-Financing Income	8.1	6.9	(40.7)	(30.1%)
Non-Interest Income	127.0	87.5		
Net Income*	**474.4**	**453.0**	**(21.5)**	**(4.5%)**
OPEX	190.6	195.6	(5.0)	(2.6%)
Pre-Provision Operating Profit (PPOP)	**283.9**	**257.4**	**(26.5)**	**(9.3%)**
Net Credit Cost	150.5	33.6	116.9	77.7%
Expected Credit Losses on Financial Investments	0.4	(0.2)	0.6	>100%
Pre-tax Profit	**133.0**	**224.0**	**91.0**	**68.4%**
Net Profit After Tax	**103.9**	**172.7**	**68.8**	**66.2%**

- **Revenue** declined by 4.5% y-o-y:
  - Net interest income: +RM19.2mil, thanks to lower funding cost due to better deposit mix from CASA growth and FDs repricing.
  - Non-interest income: -RM40.7mil y-o-y:
    - ✓ Lower client based fee income (-RM16.1mil)
    - ✓ Lower treasury & investment income (-RM24.6mil)
- Higher **operating expenses** by RM5.0mil, mainly from higher personnel expenses, offset by lower marketing expenses.
- **Pre-provision Operating Profit (PPOP)** declined by 9.3% y-o-y to RM257.4mil.
- **Net credit cost** improved to 7.5 bps in 2QFY22 (vs 2QFY21: 34.5 bps).
- **Net profit after tax** for the quarter grew by 66.2% y-o-y mainly due to lower management overlays.

Notes:
** Revenue, net interest income and non interest income includes Islamic banking income*

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Income Statement	1HFY21 RM mil	1HFY22 RM mil	Y-o-Y Change Better / (Worse)	
			RM mil	%
Net Interest Income	496.1	550.7	56.7	8.5%
Islamic Net Financing Income	170.4	172.4		
Islamic Non-Financing Income	17.2	22.8	(16.8)	(7.3%)
Non-Interest Income	212.3	189.9		
Net Income*	**896.1**	**935.9**	**39.9**	**4.5%**
OPEX	377.3	388.9	(11.6)	(3.1%)
Pre-Provision Operating Profit (PPOP)	**518.7**	**547.0**	**28.3**	**5.5%**
Net Credit Cost	245.5	128.8	116.7	47.5%
Expected Credit Losses on Financial Investments	0.5	(0.1)	0.6	>100%
Pre-tax Profit	**272.8**	**418.3**	**145.5**	**53.4%**
Net Profit After Tax	**208.3**	**318.8**	**110.5**	**53.1%**

- **Revenue** grew by 4.5% y-o-y:
  - ➢ Net interest income: +RM56.7mil, thanks to lower funding cost due to better deposit mix from CASA growth and FDs repricing.
  - ➢ Non-interest income: -RM16.8mil y-o-y:
    - ✓ Higher client based fee income (+RM0.6mil)
    - ✓ Lower treasury & investment income (-RM17.4mil)
- Higher **operating expenses** by RM11.6mil, mainly from higher personnel expenses and establishment expenses.
- **Pre-provision Operating Profit (PPOP)** grew by 5.5% y-o-y to RM547.0mil.
- **Net credit cost** improved to 29.3 bps in 1HFY22 (vs 1HFY21: 56.3 bps).
- **Net profit after tax** grew by 53.1% y-o-y mainly driven by revenue growth and lower management overlays.

Notes:
** Revenue, net interest income and non interest income includes Islamic banking income*

Balance Sheet	Jun 21 RM bil	Sep 21 RM bil	Q-o-Q Change	
			RM bil	%
Total Assets	59.2	59.5	0.3	0.6%
Treasury Assets*	12.7	12.3	(0.4)	(3.3%)
Net Loans	42.2	42.9	0.6	1.5%
Customer Based Funding+	47.2	47.1	(0.1)	(0.2%)
CASA Deposits	23.1	23.0	(0.1)	(0.6 %)
Shareholders' Funds	**6.3**	**6.4**	**0.1**	**1.7%**
Net Loans Growth (y-o-y)	-1.3%	-0.4%		
CASA Deposits Growth (y-o-y)	25.0%	14.1%		
Customer Based Funding+ Growth (y-o-y)	-4.7%	-4.7%		

- **Net loans** grew by 1.5% q-o-q
  - ***SME loans:*** +3.0% q-o-q due to higher loan growth from TRRF
  - ***Consumer loans:*** -0.3% q-o-q mainly from mortgage portfolio
  - ***GCC loans:*** +3.8% q-o-q mainly due to drawdown from few commercial accounts
- **Customer based funding** remained stable q-o-q
  - Reduction in fixed deposits (-RM0.7bil) q-o-q as part of our efforts to optimize funding, offset by growth in money market deposits (+RM0.5bil)
- **Liquidity coverage ratio**: 165.7% (vs 170.3% in Jun 2021; industry: 154.4%^).

Notes:
** Treasury assets comprise financial assets (FVOCI, FVTPL, AMC) & derivative financial assets*
+ Customer based funding = CASA + Fixed Deposits + Money Market Deposits + Retail Negotiable Instrument of Deposits + Structured Investments
^ BNM Monthly Statistical Bulletin Sep 2021

Balance Sheet	Mar 21 RM bil	Sep 21 RM bil	YTD Change	
			RM bil	%
Total Assets	60.7	59.5	(1.2)	(1.9%)
Treasury Assets*	13.1	12.3	(0.8)	(6.1%)
Net Loans	43.2	42.9	(0.4)	(0.9%)
Customer Based Funding+	48.7	47.1	(1.6)	(3.4%)
CASA Deposits	22.8	23.0	0.2	0.7%
Shareholders' Funds	**6.3**	**6.4**	**0.2**	**2.9%**
Net Loans Growth (y-o-y)	0.3%	-0.4%		
CASA Deposits Growth (y-o-y)	25.7%	14.1%		
Customer Based Funding+ Growth (y-o-y)	-0.4%	-4.7%		

- **Net loans** declined by 0.9% YTD
  - ***SME loans:*** +1.8% YTD due to higher loan growth from TRRF
  - ***Consumer loans:*** -1.3% YTD mainly from mortgage portfolio
  - ***GCC loans:*** -1.8% YTD mainly due to repayment from few corporate accounts
- **Customer based funding** declined by 3.4% YTD
  - Reduction in fixed deposits (-RM1.8bil) and money market deposits (-RM0.3bil) q-o-q as part of our efforts to optimize funding, while
  - CASA grew 0.7% q-o-q, mainly driven by SavePlus (+RM659mil).
- **Liquidity coverage ratio**: 165.7% (vs 150.0% in Mar 2021; industry: 154.4%^).

Notes:
** Treasury assets comprise financial assets (FVOCI, FVTPL, AMC) & derivative financial assets*
+ Customer based funding = CASA + Fixed Deposits + Money Market Deposits + Retail Negotiable Instrument of Deposits + Structured Investments
^ BNM Monthly Statistical Bulletin Sep 2021

Balance Sheet	Sep 20 RM bil	Sep 21 RM bil	Y-o-Y Change	
			RM bil	%
Total Assets	61.8	59.5	(2.2)	(3.6%)
Treasury Assets*	13.1	12.3	(0.8)	(6.4%)
Net Loans	43.0	42.9	(0.2)	(0.4%)
Customer Based Funding⁺	49.4	47.1	(2.3)	(4.7%)
CASA Deposits	20.1	23.0	2.8	14.1%
Shareholders' Funds	**6.4**	**6.4**	**0.0**	**0.4%**
Net Loans Growth (y-o-y)	0.6%	-0.4%		
CASA Deposits Growth (y-o-y)	16.6%	14.1%		
Customer Based Funding⁺ Growth (y-o-y)	5.9%	-4.7%		

- **Net loans** declined by 0.4% y-o-y
  - ***SME loans:*** +4.3% y-o-y due to higher loan growth from TRRF
  - ***Consumer loans:*** -2.9% y-o-y mainly from Mortgage (-3.3%) and Personal Financing (-8.8%) while offset by Share Margin Financing (+29.0%)
  - ***GCC loans:*** +3.3% y-o-y mainly due to mainly due to drawdown from few commercial accounts
- **Customer based funding** declined 4.7% y-o-y:
  - Fixed deposits: -20.8% y-o-y as part of our efforts to optimize funding, <u>while</u>
  - CASA deposits grew 14.1% y-o-y mainly driven by SavePlus (+RM1.8bil) & other CASA (+RM1.0bil).
- **Liquidity coverage ratio**: 165.7% (vs 156.9% in Sep 2020, industry: 154.4%^).

<u>Notes</u>:
** Treasury assets comprise financial assets (FVOCI, FVTPL, AMC) & derivative financial assets*
⁺ Customer based funding = CASA + Fixed Deposits + Money Market Deposits + Retail Negotiable Instrument of Deposits + Structured Investments
^ BNM Monthly Statistical Bulletin Sep 2021

	Financial Ratios	2QFY21	1QFY22	2QFY22	1HFY21	1HFY22
Shareholder Value	Return on Equity	6.6%	9.4%	11.0%	6.7%	10.2%
	Earnings per Share	6.7sen	9.4sen	11.2sen	13.5sen	20.6sen
	Net Assets per Share	RM4.14	RM4.09	RM4.16	RM4.14	RM4.16
Efficiency	Net Interest Margin	2.23%	2.50%	2.47%	2.22%	2.49%
	Non-Interest Income Ratio	28.5%	24.5%	20.8%	25.6%	22.7%
	Cost to Income Ratio	40.2%	40.0%	43.2%	42.1%	41.6%
Balance Sheet Growth	Net Loans (RM bil)	43.0	42.2	42.9	43.0	42.9
	Customer Based Funding (RM bil)	49.4	47.2	47.1	49.4	47.1
Asset Quality	Period End net credit cost (basis points)	34.5	21.8	7.5	56.3	29.3
	Gross Impaired Loans Ratio	1.7%	2.3%	2.3%	1.7%	2.3%
	Net Impaired Loans Ratio	1.2%	1.7%	1.7%	1.2%	1.7%
	Loan Loss Coverage Ratio^	109.6%	109.8%	111.1%	109.6%	111.1%
Liquidity	CASA Ratio	41.3%	49.4%	49.6%	41.3%	49.6%
	Loan to Deposit Ratio	89.8%	92.4%	94.7%	89.8%	94.7%
	Loan to Fund Ratio	82.0%	84.8%	86.5%	82.0%	86.5%
	Liquidity Coverage Ratio	156.9%	170.3%	165.7%	156.9%	165.7%
Capital	Common Equity Tier 1 Capital Ratio	15.4%	16.9%	17.1%	15.4%	17.1%
	Tier 1 Capital Ratio	16.3%	17.9%	18.0%	16.3%	18.0%
	Total Capital Ratio	20.7%	22.2%	22.3%	20.7%	22.3%

Note: ^ Loan Loss Coverage includes Regulatory Reserve provision [excluding Regulatory Reserve: 106.4% at 2QFY22 (vs. 105.1% at 1QFY22)

Thank You.

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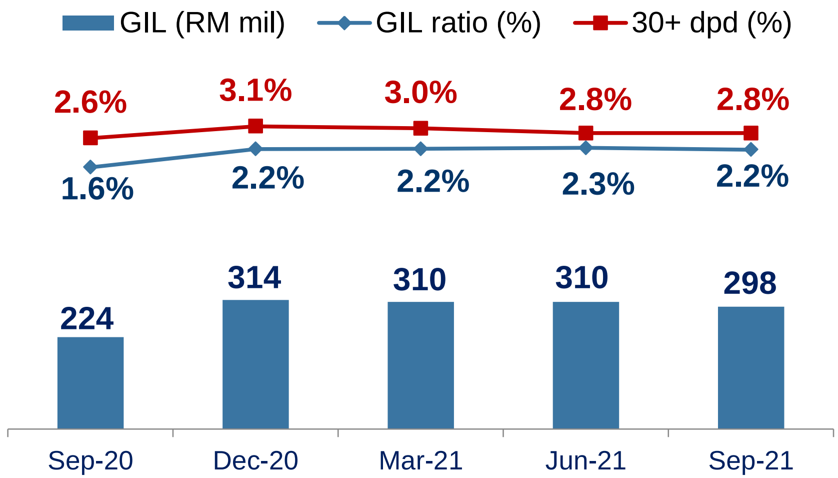
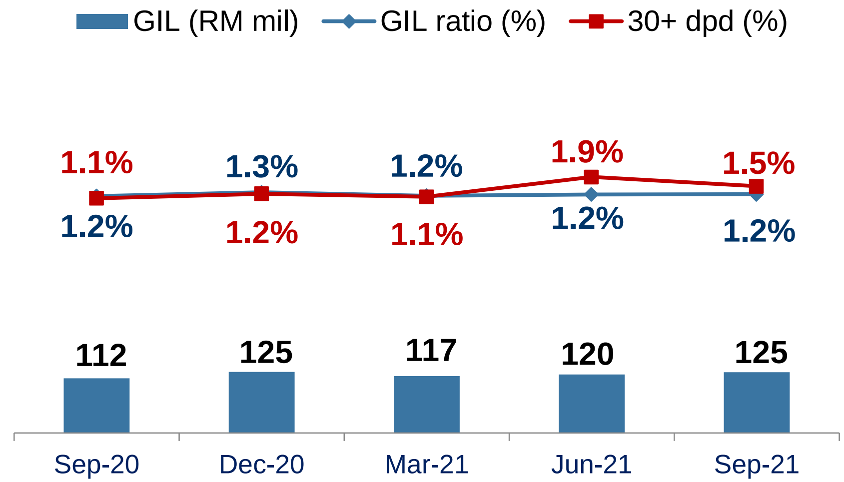
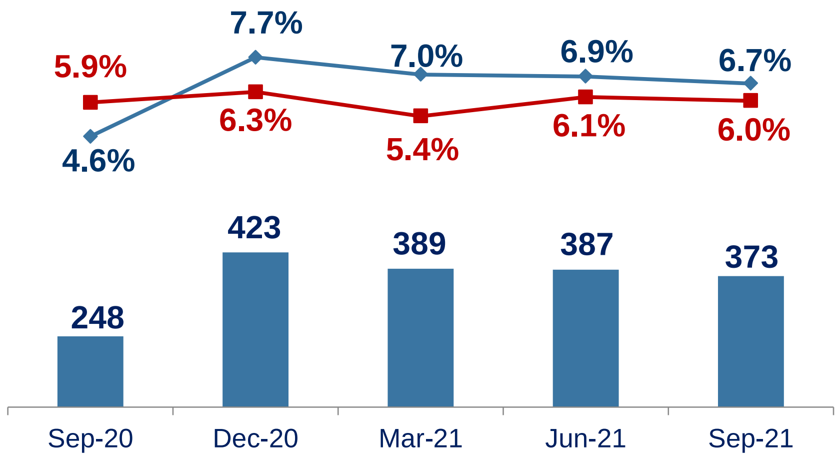
Classic Mortgage



SME



Alliance ONE Account



Personal Financing