

**ALLIANCE BANK MALAYSIA BERHAD**
**198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements**
**Unaudited Statements of Financial Position as at 30 September 2021**

		<b>GROUP</b>		<b>BANK</b>	
		<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
		<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>					
Cash and short-term funds		<b>2,966,980</b>	3,088,245	<b>2,013,462</b>	1,779,243
Deposits and placements with banks and other financial institutions		<b>83,736</b>	41,477	<b>83,736</b>	41,477
Amounts due from clients and brokers	A11	<b>126,175</b>	105,041	-	-
Financial assets at fair value through profit or loss	A12	<b>286,690</b>	237,922	<b>212,336</b>	167,728
Financial investments at fair value through other comprehensive income	A13	<b>9,666,367</b>	10,424,669	<b>6,942,587</b>	7,303,866
Financial investments at amortised cost	A14	<b>2,236,331</b>	2,270,504	<b>2,274,557</b>	2,294,765
Derivative financial assets	B11	<b>94,896</b>	153,735	<b>94,896</b>	153,735
Loans, advances and financing	A15	<b>42,858,807</b>	43,233,506	<b>32,186,026</b>	32,395,127
Other assets	A16	<b>355,539</b>	293,653	<b>428,668</b>	349,416
Tax recoverable		<b>28,402</b>	44,357	-	9,600
Statutory deposits		<b>92,158</b>	88,012	<b>70,620</b>	69,574
Investments in subsidiaries		-	-	<b>1,109,102</b>	1,109,102
Investment in joint venture		<b>1,025</b>	994	-	-
Right-of-use assets		<b>116,866</b>	120,457	<b>116,600</b>	120,439
Property, plant and equipment		<b>53,545</b>	57,264	<b>52,581</b>	55,930
Deferred tax assets		<b>146,248</b>	130,100	<b>100,673</b>	95,200
Intangible assets		<b>430,281</b>	431,259	<b>328,315</b>	329,004
<b>TOTAL ASSETS</b>		<b>59,544,046</b>	60,721,195	<b>46,014,159</b>	46,274,206
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A17	<b>46,310,168</b>	48,488,513	<b>34,706,161</b>	36,150,316
Deposits and placements of banks and other financial institutions	A18	<b>1,636,303</b>	1,392,652	<b>1,110,565</b>	659,377
Amounts due to clients and brokers	A19	<b>89,255</b>	63,416	-	-
Financial liabilities designated at fair value through profit or loss	A20	<b>849,052</b>	472,695	<b>849,052</b>	472,695
Derivative financial liabilities	B11	<b>160,630</b>	149,410	<b>160,630</b>	149,410
Recourse obligations on loans and financing sold to Cagamas		<b>650,591</b>	650,499	<b>300,108</b>	300,100
Lease liabilities		<b>121,225</b>	123,494	<b>120,955</b>	123,475
Other liabilities	A21	<b>1,713,952</b>	1,546,070	<b>1,516,657</b>	1,322,169
Provision for taxation		<b>227</b>	760	<b>227</b>	-
Provision for zakat		<b>797</b>	848	-	-
Deferred tax liabilities		<b>426</b>	2,333	-	-
Subordinated obligations		<b>1,572,959</b>	1,572,718	<b>1,472,337</b>	1,471,978
<b>TOTAL LIABILITIES</b>		<b>53,105,585</b>	54,463,408	<b>40,236,692</b>	40,649,520
Share capital		<b>1,548,106</b>	1,548,106	<b>1,548,106</b>	1,548,106
Reserves		<b>4,890,355</b>	4,709,681	<b>4,229,361</b>	4,076,580
<b>TOTAL EQUITY</b>		<b>6,438,461</b>	6,257,787	<b>5,777,467</b>	5,624,686
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>59,544,046</b>	60,721,195	<b>46,014,159</b>	46,274,206
<b>COMMITMENTS AND CONTINGENCIES</b>	A29	<b>31,319,614</b>	30,367,400	<b>28,395,894</b>	27,636,885
<b>Net assets per share attributable to equity holders of the Bank (RM)*</b>					
		<b>4.16</b>	4.04	<b>3.73</b>	3.63

\* The net assets per share attributable to Equity holders of the Bank is computed as total capital and reserves attributable to the equity holders of the Bank divided by total number of ordinary shares in circulation.

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

**ALLIANCE BANK MALAYSIA BERHAD**
**198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements**
**Unaudited Consolidated Statements of Income**
**for the Financial Period Ended 30 September 2021**

		2nd Quarter Ended		Six Months Ended	
		30 September	30 September	30 September	30 September
		2021	2020	2021	2020
<b><u>GROUP</u></b>	Note	RM'000	RM'000	RM'000	RM'000
Interest income	A22	416,567	460,632	836,999	941,310
Interest expense	A23	(142,437)	(205,723)	(286,261)	(445,177)
Net interest income		274,130	254,909	550,738	496,133
Net income from Islamic banking business	A24	91,385	92,562	195,277	187,612
		365,515	347,471	746,015	683,745
Fee and commission income	A25	61,855	86,053	133,981	147,213
Fee and commission expense	A25	(26,149)	(31,326)	(52,050)	(51,663)
Investment income	A25	35,811	76,940	80,681	137,837
Other income/(expense)	A25	15,950	(4,692)	27,310	(21,078)
Other operating income	A25	87,467	126,975	189,922	212,309
Net income		452,982	474,446	935,937	896,054
Other operating expenses	A26	(195,603)	(190,595)	(388,950)	(377,344)
Operating profit before allowances		257,379	283,851	546,987	518,710
Allowance for expected credit losses on loans, advances and financing and other financial assets	A27	(33,575)	(150,506)	(128,845)	(245,550)
Write-back of/(allowance for) expected credit losses on financial investments	A28	154	(412)	123	(461)
Operating profit after allowances		223,958	132,933	418,265	272,699
Share of results of joint venture		14	31	31	53
Profit before taxation		223,972	132,964	418,296	272,752
Taxation	B6	(51,231)	(29,020)	(99,541)	(64,496)
Net profit for the financial period		172,741	103,944	318,755	208,256
<b>Net profit for the financial period attributable to:</b>					
Equity holders of the Bank		172,741	103,944	318,755	208,256
<b>Earnings per share attributable to:</b>					
Equity holders of the Bank					
- Basic (sen)	B14(a)	11.2	6.7	20.6	13.5
- Diluted (sen)	B14(b)	11.2	6.7	20.6	13.5

**ALLIANCE BANK MALAYSIA BERHAD****198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Consolidated Statements of Comprehensive Income****for the Financial Period Ended 30 September 2021**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	30 September	<b>30 September</b>	30 September
	<b>2021</b>	2020	<b>2021</b>	2020
<b><u>GROUP</u></b>	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Net profit for the financial period</b>	<b>172,741</b>	103,944	<b>318,755</b>	208,256
Other comprehensive (expense)/income:				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on financial investments at fair value through other comprehensive income ("FVOCI")				
- Net (loss)/gain from change in fair value	<b>(77,491)</b>	108,988	<b>(24,554)</b>	319,033
- Realised gain transferred to statements of income on disposal	<b>(12,095)</b>	(22,221)	<b>(39,278)</b>	(33,880)
- Transfer from/(to) deferred tax	<b>21,501</b>	(20,825)	<b>15,320</b>	(68,437)
- Changes in expected credit losses	<b>(9)</b>	480	<b>29</b>	412
Net change in cash flow hedges	<b>37</b>	-	<b>37</b>	-
Other comprehensive (expense)/income, net of tax	<b>(68,057)</b>	66,422	<b>(48,446)</b>	217,128
<b>Total comprehensive income for the financial period</b>	<b>104,684</b>	170,366	<b>270,309</b>	425,384
Total comprehensive income for the financial period attributable to:				
Equity holders of the Bank	<b>104,684</b>	170,366	<b>270,309</b>	425,384

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

**ALLIANCE BANK MALAYSIA BERHAD****198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Statements of Income****for the Financial Period Ended 30 September 2021**

		2nd Quarter Ended		Six Months Ended	
		30 September	30 September	30 September	30 September
		2021	2020	2021	2020
<b><u>BANK</u></b>	Note	RM'000	RM'000	RM'000	RM'000
Interest income	A22	<b>407,703</b>	447,863	<b>815,831</b>	916,690
Interest expense	A23	<b>(139,997)</b>	(201,762)	<b>(280,364)</b>	(435,513)
Net interest income		<b>267,706</b>	246,101	<b>535,467</b>	481,177
Fee and commission income	A25	<b>50,885</b>	62,825	<b>107,570</b>	109,619
Fee and commission expense	A25	<b>(22,474)</b>	(22,246)	<b>(43,869)</b>	(37,821)
Investment income	A25	<b>28,088</b>	78,288	<b>91,319</b>	138,825
Other income/(expense)	A25	<b>15,863</b>	(4,654)	<b>27,305</b>	(21,000)
Other operating income	A25	<b>72,362</b>	114,213	<b>182,325</b>	189,623
Net income		<b>340,068</b>	360,314	<b>717,792</b>	670,800
Other operating expenses	A26	<b>(148,722)</b>	(150,033)	<b>(297,145)</b>	(291,883)
Operating profit before allowances		<b>191,346</b>	210,281	<b>420,647</b>	378,917
Allowance for expected credit losses on loans, advances and financing and other financial assets	A27	<b>(22,310)</b>	(101,395)	<b>(76,805)</b>	(162,516)
Write-back of/(allowance for) expected credit losses on financial investments	A28	<b>26</b>	(430)	<b>(57)</b>	(414)
Profit before taxation		<b>169,062</b>	108,456	<b>343,785</b>	215,987
Taxation	B6	<b>(38,649)</b>	(21,875)	<b>(75,331)</b>	(49,224)
Net profit for the financial period		<b>130,413</b>	86,581	<b>268,454</b>	166,763
<b>Net profit for the financial period attributable to:</b>					
Equity holders of the Bank		<b>130,413</b>	86,581	<b>268,454</b>	166,763
<b>Earnings per share attributable to:</b>					
Equity holders of the Bank					
- Basic (sen)	B14(a)	<b>8.4</b>	5.6	<b>17.3</b>	10.8
- Diluted (sen)	B14(b)	<b>8.4</b>	5.6	<b>17.3</b>	10.8

**ALLIANCE BANK MALAYSIA BERHAD****198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Statements of Comprehensive Income****for the Financial Period Ended 30 September 2021**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b><u>BANK</u></b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Net profit for the financial period</b>	<b>130,413</b>	<b>86,581</b>	<b>268,454</b>	<b>166,763</b>
Other comprehensive (expense)/income:				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on financial investments at FVOCI				
- Net (loss)/gain from change in fair value	<b>(56,510)</b>	73,042	<b>(18,287)</b>	212,842
- Realised gain transferred to statements of income on disposal	<b>(6,566)</b>	(21,238)	<b>(16,039)</b>	(32,897)
- Transfer from/(to) deferred tax	<b>15,138</b>	(12,433)	<b>8,238</b>	(43,187)
- Changes in expected credit losses	-	248	<b>13</b>	210
Net change in cash flow hedges	<b>37</b>	-	<b>37</b>	-
Other comprehensive (expense)/income, net of tax	<b>(47,901)</b>	39,619	<b>(26,038)</b>	136,968
<b>Total comprehensive income for the financial period</b>	<b>82,512</b>	<b>126,200</b>	<b>242,416</b>	<b>303,731</b>
Total comprehensive income for the financial period attributable to:				
Equity holders of the Bank	<b>82,512</b>	<b>126,200</b>	<b>242,416</b>	<b>303,731</b>

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

**Condensed Interim Financial Statements**

**Unaudited Consolidated Statements of Changes in Equity for the Financial Period Ended 30 September 2021**

←----- Attributable to Equity holders of the Bank -----→

<b><u>GROUP</u></b>	Share capital RM'000	Regulatory reserves RM'000	Capital reserves RM'000	FVOCI reserves RM'000	Hedging reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 April 2021	1,548,106	86,440	100,150	51,320	-	4,471,771	6,257,787
Net profit for the financial period	-	-	-	-	-	318,755	318,755
Other comprehensive (expense)/income	-	-	-	(48,483)	37	-	(48,446)
Total comprehensive (expense)/income for the financial period	-	-	-	(48,483)	37	318,755	270,309
Transfer from regulatory reserves	-	(38,754)	-	-	-	38,754	-
Dividends paid to shareholders	-	-	-	-	-	(89,635)	(89,635)
<b>At 30 September 2021</b>	<b>1,548,106</b>	<b>47,686</b>	<b>100,150</b>	<b>2,837</b>	<b>37</b>	<b>4,739,645</b>	<b>6,438,461</b>
At 1 April 2020	1,548,106	224,579	100,150	141,312	-	3,974,847	5,988,994
Net profit for the financial period	-	-	-	-	-	208,256	208,256
Other comprehensive income	-	-	-	217,128	-	-	217,128
Total comprehensive income for the financial period	-	-	-	217,128	-	208,256	425,384
Transfer from regulatory reserves	-	(203,578)	-	-	-	203,578	-
At 30 September 2020	1,548,106	21,001	100,150	358,440	-	4,386,681	6,414,378

**ALLIANCE BANK MALAYSIA BERHAD**
**198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements**
**Unaudited Statements of Changes in Equity for the Financial Year Ended 30 September 2021 (Contd.)**

	Non-Distributable reserves					Distributable reserves	
	Share capital	Regulatory reserves	Capital reserves	FVOCI reserves	Hedging reserves	Retained profits	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>BANK</u></b>							
At 1 April 2021	1,548,106	80,006	15,515	(4,907)	-	3,985,966	5,624,686
Net profit for the financial period	-	-	-	-	-	268,454	268,454
Other comprehensive (expense)/income	-	-	-	(26,075)	37	-	(26,038)
Total comprehensive (expense)/income for the financial period	-	-	-	(26,075)	37	268,454	242,416
Transfer from regulatory reserves	-	(38,365)	-	-	-	38,365	-
Dividends paid to shareholders	-	-	-	-	-	(89,635)	(89,635)
<b>At 30 September 2021</b>	<b>1,548,106</b>	<b>41,641</b>	<b>15,515</b>	<b>(30,982)</b>	<b>37</b>	<b>4,203,150</b>	<b>5,777,467</b>
At 1 April 2020	1,548,106	182,292	15,515	79,834	-	3,346,890	5,172,637
Net profit for the financial period	-	-	-	-	-	166,763	166,763
Other comprehensive income	-	-	-	136,968	-	-	136,968
Total comprehensive income for the financial period	-	-	-	136,968	-	166,763	303,731
Transfer from regulatory reserves	-	(168,042)	-	-	-	168,042	-
<b>At 30 September 2020</b>	<b>1,548,106</b>	<b>14,250</b>	<b>15,515</b>	<b>216,802</b>	<b>-</b>	<b>3,681,695</b>	<b>5,476,368</b>

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

**ALLIANCE BANK MALAYSIA BERHAD****198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 September 2021**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>				
Profit before taxation	<b>418,296</b>	272,752	<b>343,785</b>	215,987
Adjustments for:				
Accretion of discount less amortisation of premium of financial investments	<b>57</b>	(11,408)	<b>(77)</b>	(11,304)
Allowance for expected credit losses on loans, advances and financing	<b>128,068</b>	222,186	<b>76,843</b>	151,071
(Write-back of)/allowance for expected credit losses on commitments and contingencies	<b>(2,917)</b>	14,061	<b>(2,517)</b>	6,585
(Write-back of)/allowance for expected credit losses on financial investments	<b>(123)</b>	461	<b>57</b>	414
Allowance for/(write-back of) expected credit losses on amounts due from clients and brokers	<b>3</b>	(3)	<b>-</b>	-
Allowance for expected credit losses on other receivables	<b>170</b>	1,210	<b>1,203</b>	1,028
Allowance for expected credit losses on short-term funds	<b>-</b>	27	<b>-</b>	27
Amortisation of computer software	<b>22,426</b>	20,096	<b>21,895</b>	19,344
Depreciation of property, plant and equipment	<b>10,120</b>	10,650	<b>9,613</b>	10,417
Depreciation of right-of-use assets	<b>12,772</b>	12,598	<b>12,737</b>	12,575
Dividends from financial assets at fair value through profit or loss	<b>(1,377)</b>	(1,480)	<b>(796)</b>	(931)
Dividends from subsidiaries	<b>-</b>	-	<b>(27,126)</b>	(8,322)
Interest expense on lease liabilities	<b>3,242</b>	3,401	<b>3,230</b>	3,399
Interest expense on subordinated obligations	<b>30,831</b>	42,270	<b>30,932</b>	42,376
Interest expense on recourse obligations on loans and financing sold to Cagamas	<b>6,851</b>	6,851	<b>6,851</b>	6,851
Interest income from financial investments at amortised cost	<b>(36,405)</b>	(8,696)	<b>(39,990)</b>	(12,281)
Interest income from financial investments at fair value through other comprehensive income	<b>(147,137)</b>	(171,952)	<b>(133,839)</b>	(155,228)
Property, plant and equipment written-off	<b>-</b>	70	<b>-</b>	70
Net gain from sale of financial assets at fair value through profit or loss	<b>(1,006)</b>	(9,303)	<b>(1,006)</b>	(9,303)
Net gain from sale of financial investments at fair value through other comprehensive income	<b>(27,787)</b>	(33,880)	<b>(16,039)</b>	(32,897)
Unrealised loss arising from derivative instruments	<b>68,326</b>	84,075	<b>68,326</b>	84,075
Unrealised loss arising from hedging activities	<b>49</b>	-	<b>49</b>	-
Unrealised gain arising from financial assets at fair value through profit or loss	<b>(24,525)</b>	(28,232)	<b>(20,366)</b>	(22,430)
Unrealised gain arising from financial liabilities designated at fair value through profit or loss	<b>(49,904)</b>	(10,337)	<b>(49,904)</b>	(10,337)
Share of results of joint venture	<b>(31)</b>	(53)	<b>-</b>	-
Cash flow from operating activities before working capital changes carried forward	<b>409,999</b>	415,364	<b>283,861</b>	291,186



**ALLIANCE BANK MALAYSIA BERHAD****198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 September 2021 (Contd.)**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities (contd.)</b>				
Cash flow from operating activities before working capital changes brought forward	<b>409,999</b>	415,364	<b>283,861</b>	291,186
Changes in working capital:				
Amounts due to clients and brokers	<b>4,705</b>	(15,587)	-	-
Deposits from customers	<b>(2,178,345)</b>	277,043	<b>(1,444,155)</b>	499,235
Deposits and placements of banks and other financial institutions	<b>243,651</b>	(238,263)	<b>451,188</b>	(30,871)
Deposits and placements with banks and other financial institutions	<b>(42,259)</b>	(303,414)	<b>(42,259)</b>	(303,414)
Financial liabilities designated at fair value through profit or loss	<b>426,261</b>	(6,172)	<b>426,261</b>	(6,172)
Financial assets at fair value through profit or loss	<b>(29,432)</b>	75,765	<b>(29,432)</b>	75,765
Loans, advances and financing	<b>246,631</b>	(143,195)	<b>132,256</b>	(148,437)
Other assets	<b>(61,937)</b>	(40,813)	<b>(70,422)</b>	(98,326)
Other liabilities	<b>184,597</b>	233,106	<b>197,232</b>	226,871
Obligations on securities sold under repurchase agreements	-	(369,469)	-	(221,387)
Statutory deposits	<b>(4,146)</b>	843,293	<b>(1,046)</b>	624,687
Cash (used in)/generated from operations	<b>(800,275)</b>	727,658	<b>(96,516)</b>	909,137
Taxation paid	<b>(100,803)</b>	(60,857)	<b>(73,029)</b>	(48,132)
Zakat paid	<b>(50)</b>	(205)	-	-
Net cash (used in)/generated from operating activities	<b>(901,128)</b>	666,596	<b>(169,545)</b>	861,005

**Cash flows from investing activities**

Dividends from financial assets at fair value through profit or loss	<b>1,377</b>	1,480	<b>796</b>	931
Dividends from subsidiaries	-	-	<b>27,126</b>	8,322
Interest received from financial assets at fair value through profit or loss	<b>6,195</b>	7,265	<b>6,195</b>	7,265
Interest received from financial investments at fair value through other comprehensive income	<b>155,613</b>	181,501	<b>137,826</b>	162,969
Interest received/(paid) from financial investments at amortised cost	<b>36,780</b>	(3,277)	<b>40,238</b>	2,535
Interest received for derivative instruments	<b>1,732</b>	5,899	<b>1,732</b>	5,899
Purchase of computer software	<b>(21,448)</b>	(23,153)	<b>(21,206)</b>	(23,173)
Purchase of property, plant and equipment	<b>(6,402)</b>	(5,246)	<b>(6,263)</b>	(5,042)
Purchase of:				
- financial investments at fair value through other comprehensive income	<b>(913,768)</b>	(2,285,034)	<b>(586,914)</b>	(2,009,848)
- financial investments at amortised cost	-	(1,479,681)	-	(1,232,114)
Proceed from redemption/disposal of:				
- financial investments at fair value through other comprehensive income	<b>1,618,290</b>	3,279,823	<b>916,796</b>	3,031,718
- financial investments at amortised cost	<b>43,151</b>	273,029	<b>29,117</b>	102,452
Net cash generated from/(used in) investing activities	<b>921,520</b>	(47,394)	<b>545,443</b>	51,914

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**Condensed Interim Financial Statements****Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 September 2021 (Contd.)**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>				
Dividends paid to shareholders of the company	<b>(89,635)</b>	-	<b>(89,635)</b>	-
Interest paid on subordinated obligations	<b>(30,590)</b>	(41,794)	<b>(30,574)</b>	(41,818)
Interest paid on recourse obligations on loans and financing sold to Cagamas	<b>(6,760)</b>	(2,354)	<b>(6,843)</b>	(6,814)
Repayment from recourse obligations on loans and financing sold to Cagamas	-	300,003	-	-
Repayment of lease liabilities	<b>(14,672)</b>	(15,214)	<b>(14,627)</b>	(15,185)
Proceeds from issuance of subordinated notes	-	60,000	-	-
Net cash (used in)/generated from financing activities	<b>(141,657)</b>	300,641	<b>(141,679)</b>	(63,817)
<b>Net change in cash and cash equivalents</b>	<b>(121,265)</b>	919,843	<b>234,219</b>	849,102
<b>Cash and cash equivalents at beginning of financial period</b>	<b>3,088,245</b>	3,119,214	<b>1,779,243</b>	2,488,527
<b>Cash and cash equivalents at end of financial period</b>	<b>2,966,980</b>	4,039,057	<b>2,013,462</b>	3,337,629
<b>Cash and cash equivalents comprise the following:</b>				
Cash and short-term funds	<b>2,966,980</b>	4,039,057	<b>2,013,462</b>	3,337,629

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

## **Explanatory Notes**

### **PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 and Guidelines on Financial Reporting Issued by Bank Negara Malaysia ("BNM")**

#### **A1 Basis of Preparation**

The unaudited condensed interim financial statements for the current financial period ended 30 September 2021 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial investment at fair value through other comprehensive income, derivative financial instruments and financial liabilities designated at fair value through profit or loss that are measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB"), Chapter 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the audited annual financial statements of the Group and the Bank for the financial year ended 31 March 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and Bank since the financial year ended 31 March 2021.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2021 and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 April 2021:

- Interest rate benchmark reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)
- Amendment to MFRS 16 Leases - Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the above standards, amendments to published standards and interpretations to existing standards did not give rise to any significant impact on the financial statements of the Group and the Bank.

The preparation of unaudited condensed interim financial statements in conformity with the Malaysian Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Bank's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

#### **A2 Auditors' Report on Preceding Annual Financial Statements**

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

#### **A3 Seasonality or Cyclicity of Operations**

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

#### **A4 Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the current financial period.

#### **A5 Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current financial period.

**A6 Issuance and Repayment of Debt and Equity Securities**

There were no issuance nor repayment of debt and equity securities in the current financial period.

**A7 Dividend Paid**

A single tier interim dividend of 5.79 sen per share, on 1,548,105,929 ordinary shares amounting to approximately RM89,635,000 in respect of 31 March 2021 was paid on 30 June 2021.

**A8 Significant Events**

There were no significant events in the current financial period.

**A9 Material Events Subsequent to the End of the Financial Reporting Period**

On 29 October 2021, as part of the Budget 2022 speech by the Minister of Finance, the Government is proposing that a special one-off tax which is called "Cukai Makmur" be imposed on companies that generate chargeable income more than RM100 million during the period of the pandemic as follows:

- Chargeable income for the first RM100 million will be taxed at a rate of 24%; and
- The portion of chargeable income in excess of RM100 million will be taxed at a rate of 33%.

The above proposal is effective for Year Assessment 2022 only.

The Group and the Bank is in the midst of assessing the impact of Cukai Makmur to the tax expense for the financial year ending 31 March 2022.

**A10 Related Party Transactions**

All related party transactions within the Group and the Bank have been entered into in the normal course of business.

**A11 Amounts Due From Clients And Brokers**

	<b>GROUP</b>	
	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Due from clients	<b>69,517</b>	105,041
Due from brokers	<b>56,661</b>	-
	<b>126,178</b>	105,041
Less: Allowance for expected credit losses	<b>(3)</b>	-
	<b>126,175</b>	105,041

These represent amounts receivable by Alliance Investment Bank Berhad ("AIBB") from non-margin clients and outstanding contracts entered into on behalf of clients where settlement via Bursa Malaysia Securities Clearing Sdn. Bhd. has yet to be made.

AIBB's normal trade credit terms for non-margin clients is two (2) market days in accordance with Bursa Malaysia Securities Berhad's ("Bursa") Fixed Delivery and Settlement System ("FDSS") trading rules.

**A11 Amounts Due From Clients And Brokers (Contd.)**

The movements in allowance for expected credit losses are as follows:

	<u>Lifetime ECL</u>	
	30 September 2021 RM'000	31 March 2021 RM'000
<b>GROUP</b>		
At beginning of financial year	-	3
Allowance made/(write-back of) during the financial period/year (net)	3	(3)
At end of financial period/year	<u>3</u>	<u>-</u>

As at 30 September 2021, the Group's gross exposure of amounts due from clients and brokers that are credit impaired was at RM3,000 (31 March 2021: RM Nil).

**A12 Financial Assets at Fair Value Through Profit or Loss ("FVTPL")**

	<u>GROUP</u>		<u>BANK</u>	
	30 September 2021 RM'000	31 March 2021 RM'000	30 September 2021 RM'000	31 March 2021 RM'000
<b>At fair value - debt instruments</b>				
<u>Money market instruments:</u>				
Malaysian Government securities	31,447	10,036	31,447	10,036
Malaysian Government investment issues	4,793	3,210	4,793	3,210
	<u>36,240</u>	<u>13,246</u>	<u>36,240</u>	<u>13,246</u>
<u>Unquoted securities:</u>				
Shares	244,350	224,676	169,996	154,482
Corporate bonds and sukuk	6,100	-	6,100	-
	<u>250,450</u>	<u>224,676</u>	<u>176,096</u>	<u>154,482</u>
Total financial assets at FVTPL	<u>286,690</u>	<u>237,922</u>	<u>212,336</u>	<u>167,728</u>

**A13 Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	<u>GROUP</u>		<u>BANK</u>	
	30 September 2021 RM'000	31 March 2021 RM'000	30 September 2021 RM'000	31 March 2021 RM'000
<b>At fair value</b>				
<u>Money market instruments:</u>				
Malaysian Government securities	2,270,225	2,007,478	2,134,718	1,912,391
Malaysian Government investment issues	2,521,048	3,471,755	1,629,172	2,289,793
Commercial papers	29,737	-	19,837	-
	<u>4,821,010</u>	<u>5,479,233</u>	<u>3,783,727</u>	<u>4,202,184</u>
<u>Quoted securities:</u>				
Shares	21	15	21	15
<u>Unquoted securities:</u>				
Corporate bonds and sukuk	4,845,336	4,945,421	3,158,839	3,101,667
Total financial investments at FVOCI	<u>9,666,367</u>	<u>10,424,669</u>	<u>6,942,587</u>	<u>7,303,866</u>

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**A13 Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI") (Contd.)**

Movements in allowance for expected credit losses are as follows:

	12-month ECL (Stage 1) RM'000	Lifetime ECL Not-credit Impaired (Stage 2) RM'000	Lifetime ECL Credit Impaired (Stage 3) RM'000	Total RM'000
<b>GROUP</b>				
At 1 April 2021	96	231	-	327
New financial investments originated or purchased	28	-	-	28
Financial investments derecognised other than write-off	(2)	(9)	-	(11)
Changes due to change in credit risk	22	(10)	-	12
Total charge to/(write-back from) income statement	48	(19)	-	29
<b>At 30 September 2021</b>	<b>144</b>	<b>212</b>	<b>-</b>	<b>356</b>
At 1 April 2020	138	208	-	346
Transfer to Stage 1	40	(337)	-	(297)
Transfer to Stage 2	(40)	677	-	637
New financial investments originated or purchased	14	-	-	14
Financial investments derecognised other than write-off	(19)	(5)	-	(24)
Changes due to change in credit risk	(37)	(312)	-	(349)
Total (write-back from)/charge to income statement	(42)	23	-	(19)
At 31 March 2021	96	231	-	327
<b>BANK</b>				
At 1 April 2021	61	114	-	175
New financial investments originated or purchased	22	-	-	22
Financial investments derecognised other than write-off	-	(8)	-	(8)
Changes due to change in credit risk	15	(16)	-	(1)
Total charge to/(write-back from) income statement	37	(24)	-	13
<b>At 30 September 2021</b>	<b>98</b>	<b>90</b>	<b>-</b>	<b>188</b>
At 1 April 2020	71	151	-	222
Transfer to Stage 1	23	(154)	-	(131)
Transfer to Stage 2	(23)	310	-	287
New financial investments originated or purchased	14	-	-	14
Financial investments derecognised other than write-off	(7)	(5)	-	(12)
Changes due to change in credit risk	(17)	(188)	-	(205)
Total write-back from income statement	(10)	(37)	-	(47)
At 31 March 2021	61	114	-	175

**Note:**

The transfer between stages are inclusive of net remeasurement of allowances.

The Group and Bank do not have gross exposure of financial investments at FVOCI that are credit impaired.

**A14 Financial Investments at Amortised Cost**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost</b>				
<u>Money market instruments:</u>				
Malaysian Government securities	<b>287,540</b>	289,741	<b>287,540</b>	289,741
Malaysian Government investment issues	<b>1,846,985</b>	1,859,678	<b>1,635,679</b>	1,647,210
Negotiable instruments of deposits	-	-	<b>191,275</b>	187,404
	<b>2,134,525</b>	2,149,419	<b>2,114,494</b>	2,124,355
<u>Unquoted securities:</u>				
Corporate bonds and sukuk	<b>102,907</b>	122,338	<b>161,029</b>	171,332
Less: Allowance for expected credit losses	<b>(1,101)</b>	(1,253)	<b>(966)</b>	(922)
	<b>101,806</b>	121,085	<b>160,063</b>	170,410
Total financial investments at amortised cost	<b>2,236,331</b>	2,270,504	<b>2,274,557</b>	2,294,765

Movements in allowance for expected credit losses are as follows:

	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>Not-credit</b>	<b>Credit</b>	
	<b>(Stage 1)</b>	<b>(Stage 2)</b>	<b>(Stage 3)</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>GROUP</b>				
At 1 April 2021	<b>423</b>	-	<b>830</b>	<b>1,253</b>
Total write-back from income statement due to change in credit risk	<b>(152)</b>	-	-	<b>(152)</b>
<b>At 30 September 2021</b>	<b>271</b>	-	<b>830</b>	<b>1,101</b>
At 1 April 2020	308	-	49,074	49,382
New financial investments originated or purchased	-	-	569	569
Financial investments derecognised other than write-off	-	-	(569)	(569)
Changes due to change in credit risk	115	-	-	115
Total charge to income statement	115	-	-	115
Write-off	-	-	(48,244)	(48,244)
At 31 March 2021	<b>423</b>	-	<b>830</b>	<b>1,253</b>

**A14 Financial Investments at Amortised Cost (Contd.)**

Movements in allowance for expected credit losses are as follows: (contd.)

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b><u>BANK</u></b>				
At 1 April 2021	366	-	556	922
Financial investments derecognised other than write-off	(1)	-	-	(1)
Changes due to change in credit risk	45	-	-	45
Total charge to income statement	44	-	-	44
<b>At 30 September 2021</b>	<b>410</b>	<b>-</b>	<b>556</b>	<b>966</b>
At 1 April 2020	372	-	24,678	25,050
New financial investments originated or purchased	-	-	373	373
Financial investments derecognised other than write-off	-	-	(373)	(373)
Changes due to change in credit risk	(6)	-	-	(6)
Total write-back from income statement	(6)	-	-	(6)
Write-off	-	-	(24,122)	(24,122)
At 31 March 2021	366	-	556	922

**Note:**

The transfer between stages are inclusive of net remeasurement of allowances.

The Group's and the Bank's gross exposure of financial investments at amortised cost that are credit impaired are as follows:

	<b><u>GROUP</u></b>		<b><u>BANK</u></b>	
	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
At beginning of financial year	846	49,090	556	24,678
Write-off during the financial period/year	-	(48,244)	-	(24,122)
At end of financial period/year	846	846	556	556



**A15 Loans, Advances and Financing**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost</b>				
Overdrafts	<b>3,225,993</b>	3,431,705	<b>1,903,651</b>	2,036,340
Term loans/financing				
- Housing loans/financing	<b>13,881,552</b>	14,074,492	<b>10,437,571</b>	10,572,066
- Syndicated term loans/financing	<b>321,634</b>	318,900	<b>321,634</b>	318,900
- Hire purchase receivables	<b>554,469</b>	616,512	<b>421,465</b>	455,966
- Other term loans/financing	<b>18,687,486</b>	18,195,036	<b>14,145,255</b>	13,839,763
Bills receivables	<b>319,999</b>	483,030	<b>298,090</b>	452,195
Trust receipts	<b>810,643</b>	286,407	<b>597,945</b>	225,407
Claims on customers under acceptance credits	<b>2,446,233</b>	2,969,016	<b>1,904,986</b>	2,216,600
Staff loans				
(Loan to Directors: RM Nil [31 March 2021: RM Nil])	<b>17,311</b>	19,463	<b>3,442</b>	3,987
Credit/charge card receivables	<b>470,629</b>	513,331	<b>470,629</b>	513,331
Revolving credits	<b>1,658,125</b>	1,902,028	<b>1,010,984</b>	1,157,634
Share margin financing	<b>1,453,531</b>	1,337,422	<b>1,270,793</b>	1,160,548
Gross loans, advances and financing	<b>43,847,605</b>	44,147,342	<b>32,786,445</b>	32,952,737
Add: Sales commissions and handling fees	<b>93,669</b>	93,370	<b>106,459</b>	108,989
Less: Allowance for expected credit losses on loans, advances and financing	<b>(1,082,467)</b>	(1,007,206)	<b>(706,878)</b>	(666,599)
Total net loans, advances and financing	<b>42,858,807</b>	43,233,506	<b>32,186,026</b>	32,395,127

**Note:**

The Bank has entered into an arrangement on Commodity Murabahah Term Financing ("CMTF") with Alliance Islamic Bank Berhad ("AIS"), the Bank's wholly owned subsidiary. The contract is based on Wakalah principle where the Bank will provide the funds, while the assets are managed by AIS (as the Wakeel or agent). The risk and rewards of the underlying assets are recognised and borne by the Bank. Hence, the underlying assets and allowances for expected credit losses/impairment losses are recognised and accounted for by the Bank. The total loans, advances and financing for CMTF was at RM14,795,000 as at 30 September 2021 (31 March 2021: RM34,379,000).

**A15 Loans, Advances and Financing (Contd.)**

**A15a** By maturity structure:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Within one year	<b>10,621,343</b>	11,166,171	<b>7,604,569</b>	7,928,048
One year to three years	<b>1,698,246</b>	1,719,702	<b>1,329,978</b>	1,271,822
Three years to five years	<b>3,364,344</b>	3,116,175	<b>2,746,336</b>	2,513,766
Over five years	<b>28,163,672</b>	28,145,294	<b>21,105,562</b>	21,239,101
Gross loans, advances and financing	<b>43,847,605</b>	44,147,342	<b>32,786,445</b>	32,952,737

**A15b** By type of customers:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Domestic non-bank financial institutions	<b>532,797</b>	662,237	<b>426,120</b>	473,893
Domestic business enterprises				
- Small and medium enterprises	<b>14,089,568</b>	13,947,747	<b>10,817,283</b>	10,831,042
- Others	<b>6,084,070</b>	6,139,562	<b>4,709,568</b>	4,654,521
Government and statutory bodies	<b>80,406</b>	58,149	<b>80,406</b>	58,149
Individuals	<b>22,409,458</b>	22,674,971	<b>16,208,141</b>	16,374,290
Other domestic entities	<b>26,970</b>	26,155	<b>3,374</b>	2,079
Foreign entities	<b>624,336</b>	638,521	<b>541,553</b>	558,763
Gross loans, advances and financing	<b>43,847,605</b>	44,147,342	<b>32,786,445</b>	32,952,737

**A15c** By interest/profit rate sensitivity:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed rate				
- Housing loans/financing	<b>24,691</b>	26,509	<b>4,552</b>	4,815
- Hire purchase receivables	<b>544,420</b>	604,335	<b>411,416</b>	443,788
- Other fixed rate loans/financing	<b>6,480,261</b>	7,022,940	<b>4,670,202</b>	4,940,093
Variable rate				
- Base lending rate plus	<b>24,097,647</b>	24,074,135	<b>19,397,849</b>	19,597,887
- Base rate plus	<b>8,822,862</b>	8,515,744	<b>5,388,097</b>	5,086,299
- Cost plus	<b>3,877,724</b>	3,903,679	<b>2,914,329</b>	2,879,855
Gross loans, advances and financing	<b>43,847,605</b>	44,147,342	<b>32,786,445</b>	32,952,737

**A15 Loans, Advances and Financing (Contd.)**

**A15d** By economic purposes:

	<u>GROUP</u>		<u>BANK</u>	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
	RM'000	RM'000	RM'000	RM'000
Purchase of securities	1,609,939	1,492,946	1,427,201	1,316,073
Purchase of transport vehicles	383,680	451,486	270,415	311,972
Purchase of landed property	21,656,642	21,934,318	16,780,343	17,016,276
of which: - Residential	14,685,589	14,920,966	11,175,265	11,351,588
- Non-residential	6,971,053	7,013,352	5,605,078	5,664,688
Purchase of fixed assets				
excluding land & buildings	271,489	263,770	219,554	211,595
Personal use	5,631,991	5,710,480	3,066,190	3,118,591
Credit card	470,629	513,332	470,629	513,332
Construction	994,903	954,464	883,751	851,640
Working capital	9,782,302	9,920,052	7,303,246	7,368,494
Others	3,046,030	2,906,494	2,365,116	2,244,764
Gross loans, advances and financing	43,847,605	44,147,342	32,786,445	32,952,737

**A15e** By economic sectors:

	<u>GROUP</u>		<u>BANK</u>	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
	RM'000	RM'000	RM'000	RM'000
Primary agriculture	1,203,904	1,197,847	782,792	790,151
Mining and quarrying	226,799	234,646	192,038	196,106
Manufacturing	4,655,020	4,840,945	3,388,700	3,647,230
Electricity, gas and water	36,729	31,632	33,215	29,462
Construction	1,351,013	1,412,197	1,009,935	1,100,732
Wholesale, retail trade, restaurants and hotels	7,282,256	7,272,701	5,782,306	5,741,712
Transport, storage and communication	695,661	714,287	571,622	570,932
Financing, insurance, real estate and business services	5,010,027	4,755,068	4,004,810	3,649,734
Community, social and personal services	352,843	366,379	273,500	288,610
Household	23,030,014	23,313,491	16,745,915	16,933,053
Others	3,339	8,149	1,612	5,015
Gross loans, advances and financing	43,847,605	44,147,342	32,786,445	32,952,737

**A15f** By geographical distribution:

	<u>GROUP</u>		<u>BANK</u>	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
	RM'000	RM'000	RM'000	RM'000
Northern region	3,228,740	3,184,084	2,183,098	2,172,904
Central region	30,967,999	31,220,193	23,605,351	23,751,261
Southern region	5,420,794	5,457,765	4,155,724	4,168,512
Sabah region	3,076,463	3,171,129	2,065,196	2,093,429
Sarawak region	1,153,609	1,114,171	777,076	766,631
Gross loans, advances and financing	43,847,605	44,147,342	32,786,445	32,952,737

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**A15 Loans, Advances and Financing (Contd.)**
**A15g Movements in credit impaired loans, advances and financing ("impaired loans") in Stage 3:**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At beginning of financial year	<b>1,032,436</b>	871,340	<b>735,568</b>	638,343
Impaired during the financial period/year	<b>406,215</b>	962,546	<b>258,775</b>	643,618
Recovered during the financial period/year	<b>(22,703)</b>	(47,121)	<b>(17,868)</b>	(34,657)
Reclassified as unimpaired during the financial period/year	<b>(269,846)</b>	(439,787)	<b>(164,527)</b>	(306,693)
Financial assets derecognised other than write-off during the financial period/year	<b>(51,629)</b>	(127,162)	<b>(28,269)</b>	(78,622)
Amount written-off	<b>(76,901)</b>	(187,380)	<b>(51,041)</b>	(126,421)
At end of financial period/year	<b>1,017,572</b>	1,032,436	<b>732,638</b>	735,568
Gross impaired loans ratio	<b>2.32%</b>	2.34%	<b>2.23%</b>	2.23%
Net impaired loans ratio	<b>1.69%</b>	1.72%	<b>1.64%</b>	1.64%

**A15h Credit impaired loans analysed by economic purposes:**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Purchase of transport vehicles	<b>24,872</b>	24,162	<b>17,628</b>	17,497
Purchase of landed property	<b>544,858</b>	574,055	<b>411,342</b>	421,511
of which: - Residential	<b>433,847</b>	453,817	<b>313,789</b>	320,166
- Non-residential	<b>111,011</b>	120,238	<b>97,553</b>	101,345
Purchase of fixed assets excluding land & buildings	<b>11,979</b>	12,664	<b>11,622</b>	12,307
Personal use	<b>275,843</b>	269,955	<b>157,822</b>	153,655
Credit card	<b>12,348</b>	8,530	<b>12,348</b>	8,530
Construction	<b>8,103</b>	8,102	<b>8,103</b>	8,102
Working capital	<b>85,134</b>	84,288	<b>61,890</b>	66,278
Others	<b>54,435</b>	50,680	<b>51,883</b>	47,688
Gross impaired loans	<b>1,017,572</b>	1,032,436	<b>732,638</b>	735,568

**A15 Loans, Advances and Financing (Contd.)**

**A15i** Credit impaired loans analysed by economic sectors:

	<u>GROUP</u>		<u>BANK</u>	
	<b>30 September</b>	31 March	<b>30 September</b>	31 March
	<b>2021</b>	2021	<b>2021</b>	2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Primary agriculture	<b>1,103</b>	1,133	<b>6</b>	17
Mining and quarrying	<b>1,324</b>	1,373	<b>1,324</b>	1,373
Manufacturing	<b>68,255</b>	63,974	<b>59,360</b>	60,440
Construction	<b>34,336</b>	32,416	<b>19,689</b>	19,705
Wholesale, retail trade, restaurants and hotels	<b>77,821</b>	87,927	<b>68,023</b>	67,258
Transport, storage and communication	<b>4,624</b>	4,683	<b>4,222</b>	4,179
Financing, insurance, real estate and business services	<b>73,308</b>	74,203	<b>72,742</b>	73,017
Community, social and personal services	<b>6,960</b>	3,109	<b>3,076</b>	3,109
Household	<b>749,841</b>	762,451	<b>504,196</b>	505,303
Others	<b>-</b>	1,167	<b>-</b>	1,167
Gross impaired loans	<b>1,017,572</b>	1,032,436	<b>732,638</b>	735,568

**A15j** Credit impaired loans by geographical distribution:

	<u>GROUP</u>		<u>BANK</u>	
	<b>30 September</b>	31 March	<b>30 September</b>	31 March
	<b>2021</b>	2021	<b>2021</b>	2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Northern region	<b>83,040</b>	77,759	<b>53,491</b>	52,270
Central region	<b>742,678</b>	764,325	<b>545,946</b>	543,371
Southern region	<b>143,891</b>	142,789	<b>105,685</b>	107,890
Sabah region	<b>38,809</b>	37,812	<b>20,628</b>	24,456
Sarawak region	<b>9,154</b>	9,751	<b>6,888</b>	7,581
Gross impaired loans	<b>1,017,572</b>	1,032,436	<b>732,638</b>	735,568

**A15 Loans, Advances and Financing (Contd.)**

**A15k** Movements in allowance for expected credit losses on loans, advances and financing are as follows:

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b><u>GROUP</u></b>				
At 1 April 2021	231,025	498,776	277,405	1,007,206
Transfer to Stage 1	69,614	(277,091)	(191)	(207,668)
Transfer to Stage 2	(46,822)	387,628	(50,441)	290,365
Transfer to Stage 3	(206)	(130,134)	102,694	(27,646)
New financial assets originated or purchased	46,845	132,485	7,824	187,154
Financial assets derecognised other than write-off	(37,592)	(146,654)	(12,179)	(196,425)
Changes due to change in credit risk	(18,357)	94,356	6,281	82,280
Other adjustments	8	-	-	8
	13,490	60,590	53,988	128,068
Unwinding of discount	-	-	(3,193)	(3,193)
Total charge to income statement	13,490	60,590	50,795	124,875
Write-off	-	(693)	(48,921)	(49,614)
<b>At 30 September 2021</b>	<b>244,515</b>	<b>558,673</b>	<b>279,279</b>	<b>1,082,467</b>
At 1 April 2020	96,553	269,287	293,428	659,268
Transfer to Stage 1	153,279	(303,936)	(4,481)	(155,138)
Transfer to Stage 2	(101,032)	483,008	(76,882)	305,094
Transfer to Stage 3	(738)	(158,088)	233,223	74,397
New financial assets originated or purchased	77,896	178,021	15,316	271,233
Financial assets derecognised other than write-off	(64,721)	(189,434)	(35,550)	(289,705)
Changes due to change in credit risk	69,812	220,087	(9,933)	279,966
Other adjustments	(21)	(37)	(13)	(71)
	134,475	229,621	121,680	485,776
Unwinding of discount	-	-	(7,853)	(7,853)
Total charge to income statement	134,475	229,621	113,827	477,923
Write-off	(3)	(132)	(129,850)	(129,985)
<b>At 31 March 2021</b>	<b>231,025</b>	<b>498,776</b>	<b>277,405</b>	<b>1,007,206</b>

**A15 Loans, Advances and Financing (Contd.)**

**A15k** Movements in allowance for expected credit losses on loans, advances and financing are as follows: (contd.)

	<b>12 month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b><u>BANK</u></b>				
At 1 April 2021	154,241	314,669	197,689	666,599
Transfer to Stage 1	44,877	(173,188)	(183)	(128,494)
Transfer to Stage 2	(29,825)	236,849	(28,171)	178,853
Transfer to Stage 3	(131)	(74,108)	63,150	(11,089)
New financial assets originated or purchased	31,859	97,148	4,838	133,845
Financial assets derecognised other than write-off	(24,965)	(107,544)	(6,795)	(139,304)
Changes due to change in credit risk	(13,619)	53,830	2,813	43,024
Other adjustments	8	-	-	8
	8,204	32,987	35,652	76,843
Unwinding of discount	-	-	(2,355)	(2,355)
Total charge to income statement	8,204	32,987	33,297	74,488
Write-off	-	(351)	(33,858)	(34,209)
<b>At 30 September 2021</b>	<b>162,445</b>	<b>347,305</b>	<b>197,128</b>	<b>706,878</b>
At 1 April 2020	63,677	177,196	218,370	459,243
Transfer to Stage 1	94,945	(199,432)	(2,495)	(106,982)
Transfer to Stage 2	(62,825)	300,659	(50,694)	187,140
Transfer to Stage 3	(606)	(90,925)	142,613	51,082
New financial assets originated or purchased	53,856	139,571	11,287	204,714
Financial assets derecognised other than write-off	(42,782)	(141,429)	(24,205)	(208,416)
Changes due to change in credit risk	48,000	129,081	(2,262)	174,819
Other adjustments	(21)	(37)	(13)	(71)
	90,567	137,488	74,231	302,286
Unwinding of discount	-	-	(4,550)	(4,550)
Total charge to income statement	90,567	137,488	69,681	297,736
Write-off	(3)	(15)	(90,362)	(90,380)
At 31 March 2021	154,241	314,669	197,689	666,599

**Note:**

The transfer between stages are inclusive of net remeasurement of allowances.

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**A16 Other Assets**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Other receivables	<b>107,431</b>	98,079	<b>125,201</b>	120,168
Collateral pledged for derivative transactions	<b>83,293</b>	61,381	<b>83,293</b>	61,381
Settlement account	<b>162,555</b>	128,658	<b>162,555</b>	128,658
Deposits	<b>8,967</b>	8,834	<b>8,343</b>	8,210
Prepayment	<b>33,615</b>	36,788	<b>30,078</b>	33,220
Amounts due from subsidiaries	-	-	<b>55,113</b>	32,397
Amount due from joint venture	<b>129</b>	194	<b>229</b>	323
	<b>395,990</b>	333,934	<b>464,812</b>	384,357
Less: Allowance for expected credit losses on other receivables [Note]	<b>(40,451)</b>	(40,281)	<b>(36,144)</b>	(34,941)
	<b>355,539</b>	293,653	<b>428,668</b>	349,416

Note:

Movements for allowance for expected credit losses on other receivables are as follows:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Lifetime ECL</u></b>				
At beginning of financial year	<b>40,281</b>	38,212	<b>34,941</b>	33,143
New financial assets originated or purchased	<b>177</b>	170	-	-
Financial assets derecognised				
other than write-off	<b>(224)</b>	(265)	-	-
Changes due to change in credit risk	<b>217</b>	2,181	<b>1,203</b>	1,815
Total charge to income statement	<b>170</b>	2,086	<b>1,203</b>	1,815
Write-off	-	(17)	-	(17)
<b>At end of financial period/year</b>	<b>40,451</b>	40,281	<b>36,144</b>	34,941

As at 30 September 2021, the Group and the Bank's gross exposure of other receivables that are under lifetime expected credit losses was at RM40,451,000 and RM36,144,000 (31 March 2021: RM40,281,000 and RM34,941,000) respectively.



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**A17 Deposits from Customers****A17a** By type of deposits:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Demand deposits	<b>20,680,918</b>	20,606,556	<b>15,354,520</b>	15,447,892
Savings deposits	<b>2,279,781</b>	2,193,143	<b>1,816,386</b>	1,753,279
Fixed/investment deposits	<b>20,612,658</b>	22,421,659	<b>15,611,852</b>	16,821,977
Money market deposits	<b>2,553,719</b>	2,885,258	<b>1,752,092</b>	1,756,823
Negotiable instruments of deposits	<b>183,092</b>	381,897	<b>171,311</b>	370,345
	<b>46,310,168</b>	48,488,513	<b>34,706,161</b>	36,150,316

**A17b** The maturity structure of fixed/investment deposits, money market deposits and negotiable instruments of deposits are as follows:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Due within six months	<b>18,405,408</b>	20,632,259	<b>14,037,559</b>	14,962,791
Six months to one year	<b>4,745,202</b>	4,517,179	<b>3,456,698</b>	3,902,026
One year to three years	<b>194,834</b>	529,542	<b>37,376</b>	75,096
Three years to five years	<b>4,025</b>	9,834	<b>3,622</b>	9,232
	<b>23,349,469</b>	25,688,814	<b>17,535,255</b>	18,949,145

**A17c** By type of customers:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Domestic financial institutions	<b>196,339</b>	423,503	<b>213,293</b>	469,651
Domestic non-bank financial institutions	<b>3,754,390</b>	4,001,957	<b>2,468,781</b>	2,433,197
Government and statutory bodies	<b>3,296,208</b>	3,782,518	<b>1,654,511</b>	1,654,808
Business enterprises	<b>15,269,831</b>	15,474,724	<b>11,868,992</b>	12,508,806
Individuals	<b>22,057,131</b>	23,097,231	<b>17,010,243</b>	17,645,753
Foreign entities	<b>815,671</b>	842,730	<b>711,518</b>	729,873
Others	<b>920,598</b>	865,850	<b>778,823</b>	708,228
	<b>46,310,168</b>	48,488,513	<b>34,706,161</b>	36,150,316

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**A18 Deposits and Placements of Banks and Other Financial Institutions**

	<b><u>GROUP</u></b>		<b><u>BANK</u></b>	
	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Licensed banks	<b>466,451</b>	122,576	<b>284,449</b>	2,263
Licensed investment banks	<b>100,010</b>	340,162	-	-
Bank Negara Malaysia	<b>1,069,842</b>	929,914	<b>826,116</b>	657,114
	<b><u>1,636,303</u></b>	<u>1,392,652</u>	<b><u>1,110,565</u></b>	<u>659,377</u>

**A19 Amounts Due To Clients And Brokers**

	<b><u>GROUP</u></b>	
	<b>30 September 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Due to clients	<b>89,255</b>	57,554
Due to brokers	-	5,862
	<b><u>89,255</u></b>	<u>63,416</u>

These mainly relate to amounts payable to non-margin clients and outstanding contracts entered into on behalf of clients where settlement via the Bursa Malaysia Securities Clearing Sdn. Bhd. has yet to be made.

The Group's normal trade credit terms for trade payable for non-margin clients is two (2) market days according to the Bursa's FDSS trading rules.

Following the issuance of FRSIC Consensus 18, the Group no longer recognises trust monies balances in the statement of financial position, as the Group does not have any control over the trust monies to obtain the future economic benefits embodied in the trust monies. The trust monies maintained by the Group amounting to RM93,654,000 (31 March 2021: RM123,393,000) have been excluded accordingly.

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**A20 Financial Liabilities Designated at Fair Value Through Profit or Loss**

Structured investments designated at fair value for the Group and the Bank include investments with embedded equity linked options, interest rate index linked options and foreign currency options.

The Group and the Bank have designated certain structured investments at fair value through profit or loss. The structured investments are recorded at fair value.

The fair value changes of the structured investments that are attributable to the changes in own credit risk are not significant.

	<b>GROUP/BANK</b>	
	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Structured investments	<b>930,912</b>	504,651
Fair value changes arising from designation at fair value through profit or loss	<b>(81,860)</b>	(31,956)
	<b>849,052</b>	<b>472,695</b>

**A21 Other Liabilities**

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Other payables	<b>849,557</b>	728,404	<b>758,740</b>	621,643
Bills payable	<b>320,626</b>	162,447	<b>304,785</b>	137,565
Collateral pledged for derivative transactions	<b>15,025</b>	27,810	<b>15,025</b>	27,810
Settlement account	<b>12,013</b>	9,925	<b>12,013</b>	9,925
Clearing account	<b>149,755</b>	179,949	<b>119,065</b>	137,906
Sundry deposits	<b>50,591</b>	50,909	<b>45,644</b>	45,791
Provision and accruals	<b>143,983</b>	171,309	<b>121,065</b>	150,153
Remisiers accounts	<b>9,324</b>	9,274	-	-
Structured investments	<b>116,752</b>	156,700	<b>116,752</b>	156,700
Amount due to subsidiaries	-	-	-	8,491
Allowance for expected credit losses on commitments and contingencies [Note]	<b>46,326</b>	49,343	<b>23,568</b>	26,185
	<b>1,713,952</b>	<b>1,546,070</b>	<b>1,516,657</b>	<b>1,322,169</b>

**A21 Other Liabilities (Contd.)**

Note:

Movements in allowance for expected credit losses on commitments and contingencies are as follows:

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>GROUP</b>				
At 1 April 2021	<b>9,722</b>	<b>36,512</b>	<b>3,109</b>	<b>49,343</b>
Transfer to Stage 1	<b>280</b>	<b>(1,874)</b>	<b>-</b>	<b>(1,594)</b>
Transfer to Stage 2	<b>(389)</b>	<b>3,812</b>	<b>(385)</b>	<b>3,038</b>
Transfer to Stage 3	<b>-</b>	<b>(124)</b>	<b>268</b>	<b>144</b>
New financial assets originated or purchased	<b>2,849</b>	<b>1,484</b>	<b>-</b>	<b>4,333</b>
Financial assets derecognised other than write-off	<b>(2,618)</b>	<b>(3,975)</b>	<b>(97)</b>	<b>(6,690)</b>
Changes due to change in credit risk	<b>(1,820)</b>	<b>(678)</b>	<b>348</b>	<b>(2,150)</b>
Other adjustments	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>
	<b>(1,696)</b>	<b>(1,355)</b>	<b>134</b>	<b>(2,917)</b>
Unwinding of discount	<b>-</b>	<b>-</b>	<b>(100)</b>	<b>(100)</b>
Total (write-back from)/charge to income statement	<b>(1,696)</b>	<b>(1,355)</b>	<b>34</b>	<b>(3,017)</b>
<b>At 30 September 2021</b>	<b>8,026</b>	<b>35,157</b>	<b>3,143</b>	<b>46,326</b>
At 1 April 2020	8,582	10,996	4,761	24,339
Transfer to Stage 1	2,730	(7,701)	(101)	(5,072)
Transfer to Stage 2	(1,293)	12,385	(100)	10,992
Transfer to Stage 3	-	(1,143)	2,745	1,602
New financial assets originated or purchased	3,557	4,498	-	8,055
Financial assets derecognised other than write-off	(3,130)	(5,193)	(3,478)	(11,801)
Changes due to change in credit risk	(715)	22,674	(614)	21,345
Other adjustments	(9)	(4)	-	(13)
	1,140	25,516	(1,548)	25,108
Unwinding of discount	-	-	(104)	(104)
Total charge to/(write-back from) income statement	1,140	25,516	(1,652)	25,004
At 31 March 2021	9,722	36,512	3,109	49,343

**A21 Other Liabilities (Contd.)**

Note:

Movements in allowance for expected credit losses on commitments and contingencies are as follows: (contd.)

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b><u>BANK</u></b>				
At 1 April 2021	<b>8,056</b>	<b>15,020</b>	<b>3,109</b>	<b>26,185</b>
Transfer to Stage 1	<b>255</b>	<b>(1,712)</b>	<b>-</b>	<b>(1,457)</b>
Transfer to Stage 2	<b>(321)</b>	<b>3,519</b>	<b>(378)</b>	<b>2,820</b>
Transfer to Stage 3	<b>-</b>	<b>(123)</b>	<b>267</b>	<b>144</b>
New financial assets originated or purchased	<b>2,471</b>	<b>1,388</b>	<b>-</b>	<b>3,859</b>
Financial assets derecognised other than write-off	<b>(2,399)</b>	<b>(3,576)</b>	<b>(96)</b>	<b>(6,071)</b>
Changes due to change in credit risk	<b>(1,611)</b>	<b>(545)</b>	<b>342</b>	<b>(1,814)</b>
Other adjustments	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>
	<b>(1,603)</b>	<b>(1,049)</b>	<b>135</b>	<b>(2,517)</b>
Unwinding of discount	<b>-</b>	<b>-</b>	<b>(100)</b>	<b>(100)</b>
Total (write-back from)/charge to income statement	<b>(1,603)</b>	<b>(1,049)</b>	<b>35</b>	<b>(2,617)</b>
<b>At 30 September 2021</b>	<b>6,453</b>	<b>13,971</b>	<b>3,144</b>	<b>23,568</b>
At 1 April 2020	7,471	7,555	4,761	19,787
Transfer to Stage 1	2,258	(6,408)	(101)	(4,251)
Transfer to Stage 2	(1,115)	10,727	(98)	9,514
Transfer to Stage 3	-	(355)	1,125	770
New financial assets originated or purchased	2,891	4,059	-	6,950
Financial assets derecognised other than write-off	(2,717)	(4,084)	(1,860)	(8,661)
Changes due to change in credit risk	(723)	3,529	(614)	2,192
Other adjustments	(9)	(3)	-	(12)
	585	7,465	(1,548)	6,502
Unwinding of discount	-	-	(104)	(104)
Total charge to/(write-back from) income statement	585	7,465	(1,652)	6,398
At 31 March 2021	8,056	15,020	3,109	26,185

As at 30 September 2021, the Group's and the Bank's gross exposure of commitments and contingencies that are credit impaired were RM12,529,000 and RM12,462,000 (31 March 2021: RM14,824,000 and RM12,152,000) respectively.

The transfer between stages are inclusive of net remeasurement of allowances.

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**A22 Interest Income**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>GROUP</b>				
Loans, advances and financing	<b>324,338</b>	357,611	<b>649,242</b>	730,450
Money at call and deposit placements with financial institutions	<b>2,242</b>	9,750	<b>3,770</b>	18,285
Financial investments at fair value through other comprehensive income	<b>72,062</b>	84,125	<b>147,137</b>	171,952
Financial investments at amortised cost	<b>18,211</b>	7,296	<b>36,405</b>	8,696
Others	<b>322</b>	108	<b>502</b>	519
	<b>417,175</b>	458,890	<b>837,056</b>	929,902
Accretion of discount less amortisation of premium (net)	<b>(608)</b>	1,742	<b>(57)</b>	11,408
	<b>416,567</b>	460,632	<b>836,999</b>	941,310

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>BANK</b>				
Loans, advances and financing	<b>319,023</b>	351,071	<b>637,616</b>	717,677
Money at call and deposit placements with financial institutions	<b>2,267</b>	10,475	<b>3,807</b>	19,681
Financial investments at fair value through other comprehensive income	<b>66,611</b>	75,336	<b>133,839</b>	155,228
Financial investments at amortised cost	<b>20,014</b>	9,099	<b>39,990</b>	12,281
Others	<b>322</b>	108	<b>502</b>	519
	<b>408,237</b>	446,089	<b>815,754</b>	905,386
Accretion of discount less amortisation of premium (net)	<b>(534)</b>	1,774	<b>77</b>	11,304
	<b>407,703</b>	447,863	<b>815,831</b>	916,690

Included in the interest income on loans, advances and financing for the current financial period was Interest/profit accrued on impaired loans/financing of the Group and the Bank of RM3,080,000 (30 September 2020: RM3,122,000) respectively.

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**A23 Interest Expense****GROUP**

Deposits and placements of banks and other financial institutions

Deposits from customers

Recourse obligations on loans and financing sold to Cagamas

Subordinated obligations

Lease liabilities

Others

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>4,280</b>	4,080	<b>9,502</b>	8,344
	<b>115,847</b>	173,507	<b>232,443</b>	380,010
	<b>3,425</b>	3,425	<b>6,851</b>	6,851
	<b>15,505</b>	21,280	<b>30,831</b>	42,270
	<b>1,596</b>	1,660	<b>3,242</b>	3,401
	<b>1,784</b>	1,771	<b>3,392</b>	4,301
	<b>142,437</b>	205,723	<b>286,261</b>	445,177

**BANK**

Deposits and placements of banks and other financial institutions

Deposits from customers

Recourse obligations on loans and financing sold to Cagamas

Subordinated obligations

Lease liabilities

Others

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>3,321</b>	2,055	<b>6,603</b>	3,546
	<b>114,322</b>	171,525	<b>229,356</b>	375,040
	<b>3,425</b>	3,425	<b>6,851</b>	6,851
	<b>15,561</b>	21,327	<b>30,932</b>	42,376
	<b>1,584</b>	1,659	<b>3,230</b>	3,399
	<b>1,784</b>	1,771	<b>3,392</b>	4,301
	<b>139,997</b>	201,762	<b>280,364</b>	435,513

**A24 Net Income from Islamic Banking Business****GROUP**

Income derived from investment of depositors' funds and others

Income derived from investment of Islamic Banking funds

Income attributable to the depositors and financial institutions

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>135,198</b>	154,312	<b>285,809</b>	318,965
	<b>13,923</b>	16,348	<b>29,287</b>	33,129
	<b>(57,736)</b>	(78,098)	<b>(119,819)</b>	(164,482)
	<b>91,385</b>	92,562	<b>195,277</b>	187,612

Net income from Islamic Banking business comprises income generated from Alliance Islamic Bank Berhad ("AIS"), and Islamic banking business of Alliance Investment Bank Berhad ("AIBB"). Both AIS and AIBB are wholly-owned subsidiaries of the Bank.

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**A25 Other Operating Income**

<b>GROUP</b>	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) <u>Fee and commission income:</u>				
Commissions	21,299	26,026	46,892	42,272
Service charges and fees	5,076	5,609	11,628	12,235
Corporate advisory fees	1,197	1,145	2,188	1,921
Underwriting commissions	-	22	1,108	26
Brokerage fees	8,740	21,254	20,064	34,179
Guarantee fees	3,202	4,122	6,158	7,111
Processing fees	2,045	1,614	4,457	2,521
Commitment fees	4,845	4,740	9,574	9,370
Cards related income	13,451	19,521	27,912	33,576
Other fee income	2,000	2,000	4,000	4,002
	<b>61,855</b>	<b>86,053</b>	<b>133,981</b>	<b>147,213</b>
(b) <u>Fee and commission expense:</u>				
Commissions expense	(485)	(827)	(1,014)	(1,128)
Service charges and fees expense	(414)	(328)	(928)	(589)
Brokerage fees expense	(3,686)	(9,099)	(8,211)	(13,879)
Guarantee fees expense	(4,668)	(2,572)	(8,467)	(4,994)
Cards related expense	(16,896)	(18,500)	(33,430)	(31,073)
	<b>(26,149)</b>	<b>(31,326)</b>	<b>(52,050)</b>	<b>(51,663)</b>
(c) <u>Investment income:</u>				
Realised (loss)/gain arising from sale/redemption of:				
- Financial assets at fair value through profit or loss	(3,792)	5,881	1,006	9,303
- Financial investments at fair value through other comprehensive income	9,649	22,221	27,787	33,880
- Derivative instruments	20,061	70,557	44,457	138,680
Marked-to-market revaluation gain/(loss):				
- Financial assets at fair value through profit or loss	23,208	23,903	24,525	28,232
- Derivative instruments	(25,387)	(62,657)	(68,326)	(84,075)
- Financial liabilities designated at fair value through profit or loss	11,481	16,392	49,904	10,337
Net loss arising from hedging activities	(49)	-	(49)	-
Gross dividend income from:				
- Financial assets at fair value through profit or loss	640	643	1,377	1,480
	<b>35,811</b>	<b>76,940</b>	<b>80,681</b>	<b>137,837</b>
(d) <u>Other income/(expense):</u>				
Foreign exchange gain/(loss)	11,823	(8,747)	15,053	(28,340)
Rental income	46	30	77	74
Others	4,081	4,025	12,180	7,188
	<b>15,950</b>	<b>(4,692)</b>	<b>27,310</b>	<b>(21,078)</b>
Total other operating income	<b>87,467</b>	<b>126,975</b>	<b>189,922</b>	<b>212,309</b>



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**A25 Other Operating Income (Contd.)**

<b><u>BANK</u></b>	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) <u>Fee and commission income:</u>				
Commissions	21,299	26,026	46,892	42,272
Service charges and fees	4,876	5,323	11,188	11,756
Guarantee fees	3,196	4,115	6,145	7,098
Processing fees	1,217	1,100	1,858	1,547
Commitment fees	4,846	4,740	9,575	9,370
Cards related income	13,451	19,521	27,912	33,576
Other fee income	2,000	2,000	4,000	4,000
	<b>50,885</b>	<b>62,825</b>	<b>107,570</b>	<b>109,619</b>
(b) <u>Fee and commission expense:</u>				
Commissions expense	(485)	(827)	(1,014)	(1,128)
Service charges and fees expense	(414)	(328)	(928)	(589)
Brokerage fees expense	(11)	(19)	(30)	(37)
Guarantee fees expense	(4,668)	(2,572)	(8,467)	(4,994)
Cards related expense	(16,896)	(18,500)	(33,430)	(31,073)
	<b>(22,474)</b>	<b>(22,246)</b>	<b>(43,869)</b>	<b>(37,821)</b>
(c) <u>Investment income:</u>				
Realised (loss)/gain arising from sale/redemption of:				
- Financial assets at fair value through profit or loss	(3,792)	5,881	1,006	9,303
- Financial investments at fair value through other comprehensive income	6,566	21,238	16,039	32,897
- Derivative instruments	20,061	70,557	44,457	138,680
Marked-to-market revaluation gain/(loss):				
- Financial assets at fair value through profit or loss	19,049	18,101	20,366	22,430
- Derivative instruments	(25,387)	(62,657)	(68,326)	(84,075)
- Financial liabilities designated at fair value through profit or loss	11,481	16,392	49,904	10,337
Net loss arising from hedging activities	(49)	-	(49)	-
Gross dividend income from:				
- Financial assets at fair value through profit or loss	159	454	796	931
- Subsidiaries	-	8,322	27,126	8,322
	<b>28,088</b>	<b>78,288</b>	<b>91,319</b>	<b>138,825</b>
(d) <u>Other income/(expense):</u>				
Foreign exchange gain/(loss)	11,375	(8,811)	14,474	(28,683)
Rental income	534	396	941	913
Others	3,954	3,761	11,890	6,770
	<b>15,863</b>	<b>(4,654)</b>	<b>27,305</b>	<b>(21,000)</b>
Total other operating income	<b>72,362</b>	<b>114,213</b>	<b>182,325</b>	<b>189,623</b>

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**A26 Other Operating Expenses**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>GROUP</b>				
Personnel costs				
- Salaries, allowances and bonuses	<b>101,961</b>	97,098	<b>205,678</b>	194,704
- Contribution to EPF	<b>16,049</b>	15,762	<b>32,416</b>	31,905
- Others	<b>11,810</b>	10,202	<b>21,308</b>	21,544
	<b>129,820</b>	123,062	<b>259,402</b>	248,153
Establishment costs				
- Depreciation of property, plant and equipment	<b>4,807</b>	5,307	<b>10,120</b>	10,650
- Depreciation of right-of-use assets	<b>6,364</b>	6,256	<b>12,772</b>	12,598
- Amortisation of computer software	<b>10,942</b>	10,539	<b>22,426</b>	20,096
- Rental of premises	<b>577</b>	779	<b>1,156</b>	1,047
- Water and electricity	<b>1,496</b>	1,723	<b>3,061</b>	3,443
- Repairs and maintenance	<b>1,914</b>	2,960	<b>3,813</b>	5,231
- Information technology expenses	<b>16,491</b>	15,291	<b>31,481</b>	29,538
- Others	<b>2,703</b>	2,792	<b>5,162</b>	5,279
	<b>45,294</b>	45,647	<b>89,991</b>	87,882
Marketing expenses				
- Promotion and advertisement	<b>2,328</b>	3,796	<b>4,619</b>	4,780
- Branding and publicity	<b>2,130</b>	2,151	<b>2,513</b>	2,922
- Others	<b>800</b>	1,038	<b>1,870</b>	2,224
	<b>5,258</b>	6,985	<b>9,002</b>	9,926
Administration and general expenses				
- Communication expenses	<b>3,230</b>	3,057	<b>5,840</b>	6,186
- Printing and stationery	<b>364</b>	457	<b>721</b>	894
- Insurance	<b>1,987</b>	1,751	<b>4,038</b>	4,759
- Professional fees	<b>5,417</b>	5,361	<b>11,340</b>	10,952
- Others	<b>4,233</b>	4,275	<b>8,616</b>	8,592
	<b>15,231</b>	14,901	<b>30,555</b>	31,383
Total other operating expenses	<b>195,603</b>	190,595	<b>388,950</b>	377,344

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**A26 Other Operating Expenses (Contd.)**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>BANK</u></b>				
Personnel costs				
- Salaries, allowances and bonuses	<b>75,829</b>	73,662	<b>153,066</b>	146,284
- Contribution to EPF	<b>12,023</b>	11,970	<b>24,262</b>	24,155
- Others	<b>9,757</b>	7,639	<b>17,610</b>	16,752
	<b>97,609</b>	93,271	<b>194,938</b>	187,191
Establishment costs				
- Depreciation of property, plant and equipment	<b>4,552</b>	5,190	<b>9,613</b>	10,417
- Depreciation of right-of-use assets	<b>6,339</b>	6,244	<b>12,737</b>	12,575
- Amortisation of computer software	<b>10,698</b>	10,166	<b>21,895</b>	19,344
- Rental of premises	<b>535</b>	758	<b>990</b>	1,014
- Water and electricity	<b>1,106</b>	1,264	<b>2,303</b>	2,538
- Repairs and maintenance	<b>1,483</b>	2,292	<b>2,816</b>	4,042
- Information technology expenses	<b>9,166</b>	9,411	<b>18,385</b>	18,821
- Others	<b>2,255</b>	1,631	<b>3,218</b>	1,693
	<b>36,134</b>	36,956	<b>71,957</b>	70,444
Marketing expenses				
- Promotion and advertisement	<b>1,921</b>	4,578	<b>4,162</b>	4,829
- Branding and publicity	<b>1,596</b>	1,498	<b>1,668</b>	1,839
- Others	<b>499</b>	709	<b>1,123</b>	1,313
	<b>4,016</b>	6,785	<b>6,953</b>	7,981
Administration and general expenses				
- Communication expenses	<b>2,468</b>	2,180	<b>4,426</b>	4,692
- Printing and stationery	<b>287</b>	356	<b>540</b>	683
- Insurance	<b>1,532</b>	1,300	<b>3,127</b>	3,864
- Professional fees	<b>4,000</b>	3,953	<b>8,256</b>	8,355
- Others	<b>2,676</b>	5,232	<b>6,948</b>	8,673
	<b>10,963</b>	13,021	<b>23,297</b>	26,267
Total other operating expenses	<b>148,722</b>	150,033	<b>297,145</b>	291,883

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**A27 Allowance for Expected Credit Losses on Loans, Advances and Financing and Other Financial Assets**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>GROUP</b>				
Allowance for expected credit losses on:				
(a) Loans, advances and financing				
- Allowance made during the financial period	<b>41,342</b>	143,003	<b>128,068</b>	222,186
(b) Credit impaired loans, advances and financing				
- Recovered during the financial period	<b>(9,478)</b>	(11,890)	<b>(18,501)</b>	(16,814)
- Write-off during the financial period	<b>3,601</b>	11,269	<b>22,026</b>	24,876
(c) Commitments and contingencies on loans, advances and financing				
- (Write-back)/allowance made during the financial period	<b>(1,417)</b>	7,428	<b>(2,917)</b>	14,061
	<b>34,048</b>	149,810	<b>128,676</b>	244,309

Allowance for/(write-back of) expected credit losses on:

- Amounts due from clients and brokers	-	(4)	3	(3)
- Other receivables	<b>(491)</b>	670	<b>170</b>	1,210
- Cash and short-term funds	<b>18</b>	23	-	27
- Deposits and placements with banks and other financial institutions	-	7	<b>(4)</b>	7
	<b>33,575</b>	150,506	<b>128,845</b>	245,550

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**BANK**

Allowance for expected credit losses on:

(a) Loans, advances and financing				
- Allowance made during the financial period	<b>26,823</b>	98,753	<b>76,843</b>	151,071
(b) Credit impaired loans, advance and financing				
- Recovered during the financial period	<b>(7,301)</b>	(8,721)	<b>(13,210)</b>	(12,466)
- Write-off during the financial period	<b>3,669</b>	8,743	<b>14,490</b>	16,264
(c) Commitments and contingencies on loans, advances and financing				
- (Write-back)/allowance made during the financial period	<b>(1,475)</b>	2,085	<b>(2,517)</b>	6,585
	<b>21,716</b>	100,860	<b>75,606</b>	161,454

Allowance for/(write-back of) expected credit losses on:

- Other receivables	<b>576</b>	505	<b>1,203</b>	1,028
- Cash and short-term funds	<b>18</b>	23	-	27
- Deposits and placements with banks and other financial institutions	-	7	<b>(4)</b>	7
	<b>22,310</b>	101,395	<b>76,805</b>	162,516

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**A28 (Write-back of)/Allowance for Expected Credit Losses on Financial Investments**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>GROUP</u></b>				
(a) Financial investments at fair value through other comprehensive income				
- (Write-back)/allowance made during the financial period	<b>(9)</b>	<b>480</b>	<b>29</b>	<b>412</b>
(b) Financial investments at amortised cost				
- (Write-back)/allowance made during the financial period	<b>(145)</b>	<b>(68)</b>	<b>(152)</b>	<b>49</b>
	<b>(154)</b>	<b>412</b>	<b>(123)</b>	<b>461</b>

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>BANK</u></b>				
(a) Financial investments at fair value through other comprehensive income				
- Allowance made during the financial period	<b>-</b>	<b>248</b>	<b>13</b>	<b>210</b>
(b) Financial investments at amortised cost				
- (Write-back)/allowance made during the financial period	<b>(26)</b>	<b>182</b>	<b>44</b>	<b>204</b>
	<b>(26)</b>	<b>430</b>	<b>57</b>	<b>414</b>

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**A29 Commitments and Contingencies**

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

	<b><u>GROUP</u></b>		<b><u>BANK</u></b>	
	<b>30 September</b>	31 March	<b>30 September</b>	31 March
	<b>2021</b>	2021	<b>2021</b>	2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b><u>Commitments and contingencies</u></b>				
Direct credit substitutes	<b>672,906</b>	687,790	<b>499,653</b>	511,039
Transaction-related contingent items	<b>554,033</b>	554,612	<b>493,925</b>	492,119
Short-term self-liquidating trade-related contingencies	<b>159,845</b>	145,128	<b>124,545</b>	119,337
Forward assets purchase	<b>1,675</b>	20,800	<b>1,675</b>	20,800
Obligations under an on-going underwriting agreement	<b>20,000</b>	20,000	-	-
Irrevocable commitments to extend credit:				
- maturity exceeding one year	<b>1,024,335</b>	867,310	<b>831,979</b>	711,536
- maturity not exceeding one year	<b>10,387,798</b>	9,625,561	<b>7,945,095</b>	7,335,855
Unutilised credit card lines	<b>1,288,896</b>	1,299,366	<b>1,288,896</b>	1,299,366
	<b>14,109,488</b>	13,220,567	<b>11,185,768</b>	10,490,052
<b><u>Derivative financial instruments</u></b>				
Foreign exchange related contracts:				
- one year or less	<b>7,943,522</b>	7,718,029	<b>7,943,522</b>	7,718,029
- over one year to three years	<b>783,880</b>	681,661	<b>783,880</b>	681,661
- over three years	<b>459,821</b>	661,606	<b>459,821</b>	661,606
Interest rate related contracts:				
- one year or less	<b>2,471,883</b>	2,099,218	<b>2,471,883</b>	2,099,218
- over one year to three years	<b>3,392,041</b>	3,984,245	<b>3,392,041</b>	3,984,245
- over three years	<b>1,609,505</b>	1,492,030	<b>1,609,505</b>	1,492,030
Equity related contracts				
- one year or less	<b>351,904</b>	295,184	<b>351,904</b>	295,184
- over one year to three years	<b>197,570</b>	214,860	<b>197,570</b>	214,860
	<b>17,210,126</b>	17,146,833	<b>17,210,126</b>	17,146,833
	<b>31,319,614</b>	30,367,400	<b>28,395,894</b>	27,636,885

### **A30 Segment Information**

The following segment information has been prepared in accordance with MFRS 8 Operating Segments, which defines the requirements for the disclosure of financial information of an entity's operating segments. The operating segments results are prepared and provided to the chief operating decision maker based on the Group's internal management reporting reflective of the organisation's management reporting structure.

Based on the results presented to chief operating decision maker, funds are allocated between segments and inter-segment funding cost transfers are reflected in net interest income. In addition to the operating segments, the segment information disclosed also includes inter-segment eliminations. Transactions between reportable segments are eliminated based on principles of consolidation as described in accounting policy. Intercompany transactions, balances and unrealised gains and losses on transactions between Group's companies are eliminated in inter-segment eliminations.

The Group is organised into the following key operating segments:

#### **(i) Consumer Banking**

Consumer Banking provides a wide range of personal banking solutions covering mortgages, term loans, personal loans, hire purchase facilities, credit cards and wealth management (cash management, investment services, share trading, bancassurance and will writing). Consumer Banking customers are serviced via branch network, call centre, electronic/internet banking channels, and direct sales channels.

#### **(ii) Business Banking**

Business Banking segment covers Small and Medium Enterprise ("SME"), Corporate and Commercial Banking. SME Banking customers comprise self-employed, small and medium scale enterprises. Corporate and Commercial Banking serves public-listed and large corporate business customers including family-owned businesses. Business Banking provides a wide range of products and services including loans, trade finance, cash management, treasury and structured solutions.

#### **(iii) Financial Markets**

Financial Markets provide foreign exchange, money market, hedging and investment (capital market instruments) solutions for banking customers. It also manages the assets and liabilities, liquidity and statutory reserve requirements of the banking entities in the Group.

#### **(iv) Stockbroking and Corporate Advisory**

Stockbroking and Corporate Advisory covers stockbroking activities and corporate advisory which includes initial public offering, equity fund raising, debt fund raising, mergers and acquisitions and corporate restructuring.

#### **(v) Others**

Others refer to mainly other business operations such as alternative distribution channels, trustee services and head office.

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**A30 Segment information (Contd.)**

**GROUP**

	Consumer Banking RM'000	Business Banking RM'000	Financial Markets RM'000	Stockbroking and Corporate Advisory RM'000	Others RM'000	Total Operations RM'000	Inter-segment Elimination RM'000	Total RM'000
<b>2nd Quarter ended 30 September 2021</b>								
Net interest income/(expense)								
- external income	92,170	119,494	59,198	1,852	(63)	272,651	1,479	274,130
- inter-segment	(15,254)	3,258	12,920	(924)	-	-	-	-
	76,916	122,752	72,118	928	(63)	272,651	1,479	274,130
Net income from Islamic banking business	29,772	32,363	27,152	-	20	89,307	2,078	91,385
Other operating income	23,730	29,030	26,687	7,964	8,188	95,599	(8,132)	87,467
Net income	130,418	184,145	125,957	8,892	8,145	457,557	(4,575)	452,982
Other operating expenses	(85,700)	(64,583)	(8,611)	(7,616)	(7,185)	(173,695)	205	(173,490)
Depreciation and amortisation	(9,935)	(10,203)	(1,605)	(642)	(101)	(22,486)	373	(22,113)
Operating profit/(loss)	34,783	109,359	115,741	634	859	261,376	(3,997)	257,379
(Allowance for)/write-back of expected credit losses on loans, advances and other financial assets	(47,651)	14,101	(15)	(10)	-	(33,575)	-	(33,575)
Write-back of expected credit losses on financial investments	-	148	2	-	-	150	4	154
Segment result	(12,868)	123,608	115,728	624	859	227,951	(3,993)	223,958
Share of results of joint venture								14
Taxation								(51,231)
Net profit for the financial period								172,741
Segment assets	18,766,115	24,246,018	16,757,255	325,285	440,961	60,535,634	(1,651,089)	58,884,545
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								1,025
Property, plant and equipment								53,545
Tax recoverable and deferred tax assets								174,650
Intangible assets								430,281
Total assets								59,544,046



**A30 Segment information (Contd.)**

**GROUP**

	Consumer Banking RM'000	Business Banking RM'000	Financial Markets RM'000	Stockbroking and Corporate Advisory RM'000	Others RM'000	Total Operations RM'000	Inter-segment Elimination RM'000	Total RM'000
<b>Six months ended 30 September 2021</b>								
Net interest income/(expense)								
- external income	188,049	235,554	120,862	3,687	(35)	548,117	2,621	550,738
- inter-segment	(28,657)	7,463	23,011	(1,817)	-	-	-	-
	159,392	243,017	143,873	1,870	(35)	548,117	2,621	550,738
Net income from Islamic banking business	67,282	64,864	59,537	-	97	191,780	3,497	195,277
Other operating income	56,338	63,437	50,994	19,075	8,395	198,239	(8,317)	189,922
Net income	283,012	371,318	254,404	20,945	8,457	938,136	(2,199)	935,937
Other operating expenses	(165,185)	(129,764)	(17,219)	(16,330)	(16,435)	(344,933)	1,301	(343,632)
Depreciation and amortisation	(20,689)	(20,546)	(3,329)	(1,309)	(200)	(46,073)	755	(45,318)
Operating profit/(loss)	97,138	221,008	233,856	3,306	(8,178)	547,130	(143)	546,987
(Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	(134,993)	6,194	11	(57)	-	(128,845)	-	(128,845)
Write-back of/(allowance for) expected credit losses on financial assets	-	23	(107)	130		46	77	123
Segment result	(37,855)	227,225	233,760	3,379	(8,178)	418,331	(66)	418,265
Share of results of joint venture								31
Taxation								(99,541)
Net profit for the financial period								318,755
Segment assets	18,766,115	24,246,018	16,757,255	325,285	440,961	60,535,634	(1,651,089)	58,884,545
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								1,025
Property, plant and equipment								53,545
Tax recoverable and deferred tax assets								174,650
Intangible assets								430,281
Total assets								59,544,046

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**A30 Segment information (Contd.)**

**GROUP**

	Consumer Banking RM'000	Business Banking RM'000	Financial Markets RM'000	Stockbroking and Corporate Advisory RM'000	Others RM'000	Total Operations RM'000	Inter-segment Elimination RM'000	Total RM'000
<b>2nd Quarter ended 30 September 2020</b>								
Net interest income/(expense)								
- external income	74,617	112,264	67,261	1,815	(31)	255,926	(1,017)	254,909
- inter-segment	12,622	14,664	(26,491)	(795)	-	-	-	-
	87,239	126,928	40,770	1,020	(31)	255,926	(1,017)	254,909
Net income from Islamic banking business	41,986	32,645	12,684	-	25	87,340	5,222	92,562
Other operating income	27,460	34,091	51,655	14,684	2,991	130,881	(3,906)	126,975
Net income	156,685	193,664	105,109	15,704	2,985	474,147	299	474,446
Other operating expenses	(82,175)	(63,473)	(10,089)	(8,095)	(5,046)	(168,878)	385	(168,493)
Depreciation and amortisation	(10,146)	(9,411)	(2,195)	(648)	(105)	(22,505)	403	(22,102)
Operating profit/(loss)	64,364	120,780	92,825	6,961	(2,166)	282,764	1,087	283,851
Allowance for expected credit losses on loans, advances and financing and other financial assets	(105,629)	(44,782)	(30)	(65)	-	(150,506)	-	(150,506)
Write-back of/(allowance for) expected credit losses on financial investments	-	67	(645)	-	-	(578)	166	(412)
Segment result	(41,265)	76,065	92,150	6,896	(2,166)	131,680	1,253	132,933
Share of results of joint venture								31
Taxation								(29,020)
Net profit for the financial period								103,944
Segment assets	21,340,102	22,840,320	18,141,861	328,162	442,939	63,093,384	(1,969,542)	61,123,842
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								956
Property, plant and equipment								59,008
Tax recoverable and deferred tax assets								142,937
Intangible assets								440,142
Total assets								61,766,885

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**A30 Segment information (Contd.)**

**GROUP**

	Consumer Banking RM'000	Business Banking RM'000	Financial Markets RM'000	Stockbroking and Corporate Advisory RM'000	Others RM'000	Total Operations RM'000	Inter-segment Elimination RM'000	Total RM'000
<b>Six months ended 30 September 2020</b>								
Net interest income								
- external income	152,243	210,449	134,019	3,726	38	500,475	(4,342)	496,133
- inter-segment	23,078	28,063	(49,339)	(1,802)	-	-	-	-
	175,321	238,512	84,680	1,924	38	500,475	(4,342)	496,133
Net income from Islamic banking business	86,274	62,068	28,225	-	45	176,612	11,000	187,612
Other operating income	48,784	61,987	77,786	24,556	2,751	215,864	(3,555)	212,309
Net income	310,379	362,567	190,691	26,480	2,834	892,951	3,103	896,054
Other operating expenses	(161,672)	(126,851)	(19,549)	(16,522)	(10,155)	(334,749)	749	(334,000)
Depreciation and amortisation	(19,839)	(18,487)	(4,313)	(1,300)	(209)	(44,148)	804	(43,344)
Operating profit/(loss)	128,868	217,229	166,829	8,658	(7,530)	514,054	4,656	518,710
(Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	(159,999)	(85,944)	233	160	-	(245,550)	-	(245,550)
Allowance for expected credit losses on financial investments	-	(50)	(396)	-	-	(446)	(15)	(461)
Segment result	(31,131)	131,235	166,666	8,818	(7,530)	268,058	4,641	272,699
Share of results of joint venture								53
Taxation								(64,496)
Net profit for the financial period								208,256
Segment assets	21,340,102	22,840,320	18,141,861	328,162	442,939	63,093,384	(1,969,542)	61,123,842
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								956
Property, plant and equipment								59,008
Tax recoverable and deferred tax assets								142,937
Intangible assets								440,142
Total assets								61,766,885

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**A31 Capital Adequacy**

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework. The Framework sets out the approach for computing regulatory capital adequacy ratios, as well as the levels of those ratios at which banking institutions are required to operate. The Framework is to strengthen capital adequacy standards, in line with the requirements set forth under Basel III. The risk-weighted assets of the Group and the Bank are computed using the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk.

The Group and the Bank have also adopted the transitional arrangements on provisions for expected credit losses in accordance with Bank Negara Malaysia's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions effective on 9 December 2020.

This allow the Group and the Bank to add back a portion of Stage 1 ("S1") and Stage 2 ("S2") provisions with an "add-back factor", to the Common Equity Tier I ("CET I") capital from Financial Year 2021 to Financial Year 2024.

The capital adequacy ratios with and without transitional arrangements for the Group and the Bank are as follows:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September 2021</b>	<b>31 March 2021</b>	<b>30 September 2021</b>	<b>31 March 2021</b>
(i) With transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	<b>17.403%</b>	16.463%	<b>16.608%</b>	15.654%
Tier I capital ratio	<b>18.365%</b>	17.418%	<b>17.527%</b>	16.566%
Total capital ratio	<b>22.687%</b>	21.816%	<b>22.411%</b>	21.549%
<u>After deducting proposed dividends</u>				
CET I capital ratio	<b>17.050%</b>	16.218%	<b>16.135%</b>	15.327%
Tier I capital ratio	<b>18.012%</b>	17.173%	<b>17.054%</b>	16.238%
Total capital ratio	<b>22.333%</b>	21.571%	<b>21.938%</b>	21.222%
(ii) Without transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	<b>15.971%</b>	15.232%	<b>15.450%</b>	14.646%
Tier I capital ratio	<b>16.932%</b>	16.187%	<b>16.370%</b>	15.557%
Total capital ratio	<b>21.354%</b>	20.588%	<b>21.425%</b>	20.582%
<u>After deducting proposed dividends</u>				
CET I capital ratio	<b>15.617%</b>	14.987%	<b>14.977%</b>	14.318%
Tier I capital ratio	<b>16.579%</b>	15.942%	<b>15.897%</b>	15.230%
Total capital ratio	<b>21.000%</b>	20.343%	<b>20.952%</b>	20.255%

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**A31 Capital Adequacy (Contd.)**

- (a) Components of CET I, Tier I and Tier II capital under the Capital Adequacy Framework with transitional arrangements are as follows:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>CET I Capital/Tier I Capital</u></b>				
Paid-up share capital	1,548,106	1,548,106	1,548,106	1,548,106
Retained profits	4,739,645	4,471,771	4,203,150	3,985,966
Regulatory reserves	47,686	86,440	41,641	80,006
Hedging reserves	37	-	37	-
FVOCI reserves	2,481	50,993	(31,170)	(5,082)
Capital reserves	100,150	100,150	15,515	15,515
	<b>6,438,105</b>	<b>6,257,460</b>	<b>5,777,279</b>	<b>5,624,511</b>
(Less)/add: Regulatory adjustments				
- Goodwill and other intangibles	(430,281)	(431,259)	(328,315)	(329,004)
- Deferred tax assets	(146,248)	(130,100)	(100,673)	(95,200)
- 55% of FVOCI reserves	(1,365)	(28,046)	-	-
- Regulatory reserves	(47,686)	(86,440)	(41,641)	(80,006)
- Investment in subsidiaries and joint venture	(1,025)	(994)	(1,109,102)	(1,109,102)
- Transitional arrangements	521,292	451,004	314,402	276,161
Total CET I Capital	<b>6,332,792</b>	<b>6,031,625</b>	<b>4,511,950</b>	<b>4,287,360</b>
Additional Tier I Capital Securities	<b>349,928</b>	<b>349,899</b>	<b>249,809</b>	<b>249,732</b>
Total Additional Tier I Capital	<b>349,928</b>	<b>349,899</b>	<b>249,809</b>	<b>249,732</b>
Total Tier I Capital	<b>6,682,720</b>	<b>6,381,524</b>	<b>4,761,759</b>	<b>4,537,092</b>
<b><u>Tier II Capital</u></b>				
Subordinated obligations	1,199,170	1,199,077	1,198,700	1,198,554
Expected credit losses and regulatory reserves	373,502	412,255	258,031	296,396
Less: Regulatory adjustment				
- Investment in Tier II capital instruments	-	-	(130,000)	(130,000)
Total Tier II Capital	<b>1,572,672</b>	<b>1,611,332</b>	<b>1,326,731</b>	<b>1,364,950</b>
<b>Total Capital</b>	<b>8,255,392</b>	<b>7,992,856</b>	<b>6,088,490</b>	<b>5,902,042</b>

- (b) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows:

	<b>GROUP</b>		<b>BANK</b>	
	<b>30 September</b>	<b>31 March</b>	<b>30 September</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Credit risk	32,778,557	33,065,592	24,377,682	24,611,480
Market risk	290,699	322,652	290,639	322,331
Operational risk	3,319,590	3,249,393	2,499,564	2,454,737
Total RWA and capital requirements	<b>36,388,846</b>	<b>36,637,637</b>	<b>27,167,885</b>	<b>27,388,548</b>

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**A31 Capital Adequacy (Contd.)**

(c) The capital adequacy ratios of the banking subsidiaries are as follows:

	<b>Alliance Islamic Bank Berhad</b>		<b>Alliance Investment Bank Berhad</b>	
	<b>30 September 2021</b>	<b>31 March 2021</b>	<b>30 September 2021</b>	<b>31 March 2021</b>
(i) With transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	<b>15.879%</b>	15.035%	<b>74.971%</b>	72.580%
Tier I capital ratio	<b>17.007%</b>	16.158%	<b>74.971%</b>	72.580%
Total capital ratio	<b>19.634%</b>	18.783%	<b>75.885%</b>	73.506%
<u>After deducting proposed dividends</u>				
CET I capital ratio	<b>15.639%</b>	15.035%	<b>74.971%</b>	69.000%
Tier I capital ratio	<b>16.768%</b>	16.158%	<b>74.971%</b>	69.000%
Total capital ratio	<b>19.395%</b>	18.783%	<b>75.885%</b>	69.926%
(ii) Without transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	<b>13.535%</b>	13.065%	<b>74.960%</b>	72.550%
Tier I capital ratio	<b>14.664%</b>	14.188%	<b>74.960%</b>	72.550%
Total capital ratio	<b>17.291%</b>	16.813%	<b>75.874%</b>	73.476%
<u>After deducting proposed dividends</u>				
CET I capital ratio	<b>13.296%</b>	13.065%	<b>74.960%</b>	68.970%
Tier I capital ratio	<b>14.424%</b>	14.188%	<b>74.960%</b>	68.970%
Total capital ratio	<b>17.051%</b>	16.813%	<b>75.874%</b>	69.896%

**A32 Fair Value Measurements**

**(a) Determination of fair value and fair value hierarchy**

MFRS 13 Fair Value Measurement requires disclosure of financial instruments measured at fair value to be categorised according to a hierarchy of valuation techniques, whether the inputs used are observable or unobservable. The following level of hierarchy are used for determining and disclosing the fair value of the financial instruments:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

**(i) Financial instruments in Level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the statements of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis. This includes listed equities and corporate debt securities which are actively traded.

**(ii) Financial instruments in Level 2**

Where fair value is determined using quoted prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determine fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high. These would include government securities, corporate private debt securities, corporate notes and most of the Group's and the Bank's derivatives.

**(iii) Financial instruments in Level 3**

The Group and the Bank classify financial instruments as Level 3 when there is reliance on unobservable inputs to the valuation model attributing to a significant contribution to the instrument value. Valuation reserves or pricing adjustments where applicable will be used to converge to fair value.

The valuation techniques and inputs used generally depend on the contractual terms and the risks inherent in the instrument as well as the availability of pricing information in the market. Principal techniques used include net tangible assets, net asset value, discounted cash flows, and other appropriate valuation models. These includes private equity investments.

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**A32 Fair Value Measurements (Contd.)****(b) Financial instruments measured at fair value and the fair value hierarchy**

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

<u>GROUP</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
30 September 2021	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	36,240	-	36,240
- Unquoted securities	-	6,100	244,350	250,450
Financial investments at FVOCI				
- Money market instruments	-	4,821,010	-	4,821,010
- Quoted securities in Malaysia	21	-	-	21
- Unquoted securities	-	4,845,336	-	4,845,336
Derivative financial assets	-	94,896	-	94,896
<u>Liabilities</u>				
Financial liabilities designated at FVTPL	-	849,052	-	849,052
Derivative financial liabilities	-	160,630	-	160,630
<u>BANK</u>				
30 September 2021	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	36,240	-	36,240
- Unquoted securities	-	6,100	169,996	176,096
Financial investments at FVOCI				
- Money market instruments	-	3,783,727	-	3,783,727
- Quoted securities in Malaysia	21	-	-	21
- Unquoted securities	-	3,158,839	-	3,158,839
Derivative financial assets	-	94,896	-	94,896
<u>Liabilities</u>				
Financial liabilities designated at fair value through profit or loss	-	849,052	-	849,052
Derivative financial liabilities	-	160,630	-	160,630



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**A32 Fair Value Measurements (Contd.)****(b) Financial instruments measured at fair value and the fair value hierarchy (contd.)**

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

<u>GROUP</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
31 March 2021	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	13,246	-	13,246
- Unquoted securities	-	-	224,676	224,676
Financial investments at FVOCI				
- Money market instruments	-	5,479,233	-	5,479,233
- Quoted securities in Malaysia	15	-	-	15
- Unquoted securities	-	4,945,421	-	4,945,421
Derivative financial assets	-	153,735	-	153,735
<u>Liabilities</u>				
Financial liabilities designated at fair value through profit or loss	-	472,695	-	472,695
Derivative financial liabilities	-	149,410	-	149,410
<u>BANK</u>				
31 March 2021	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	13,246	-	13,246
- Unquoted securities	-	-	154,482	154,482
Financial investments at FVOCI				
- Money market instruments	-	4,202,184	-	4,202,184
- Quoted securities in Malaysia	15	-	-	15
- Unquoted securities	-	3,101,667	-	3,101,667
Derivative financial assets	-	153,735	-	153,735
<u>Liabilities</u>				
Financial liabilities designated at fair value through profit or loss	-	472,695	-	472,695
Derivative financial liabilities	-	149,410	-	149,410

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**A32 Fair Value Measurements (Contd.)****(b) Financial instruments measured at fair value and the fair value hierarchy (contd.)**

Reconciliation of movements in Level 3 financial instruments:

	<u><b>GROUP</b></u>		<u><b>BANK</b></u>	
	<b>30 September</b>	31 March	<b>30 September</b>	31 March
	<b>2021</b>	2021	<b>2021</b>	2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
At beginning of financial year	<b>224,676</b>	202,160	<b>154,482</b>	137,768
Distribution on liquidating shares	-	(243)	-	(243)
Total gains recognised in statements of income				
- Revaluation gain from financial assets at FVTPL	<b>19,674</b>	22,759	<b>15,514</b>	16,957
At end of financial period/year	<b>244,350</b>	224,676	<b>169,996</b>	154,482

The Group's and the Bank's exposure to financial instruments measured using unobservable inputs ("Level 3") constitutes a small component of the Group's and the Bank's portfolio of financial instruments. Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for Level 3 financial instruments.

**A33 Credit Transactions And Exposures With Connected Parties**

	<u><b>BANK</b></u>	
	<b>30 September</b>	31 March
	<b>2021</b>	2021
	<b>RM'000</b>	RM'000
Outstanding credit exposures with connected parties	<b>311,189</b>	329,573
of which:		
Total credit exposure which is impaired or in default	<b>170</b>	206
Total credit exposures	<b>48,077,887</b>	48,187,666
Percentage of outstanding credit exposures to connected parties		
- as a proportion of total credit exposures	<b>0.65%</b>	0.68%
- which is impaired or in default	<b>0.00%</b>	0.00%

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**A34 Offsetting Financial Assets And Financial Liabilities**

In accordance with MFRS 132 Financial Instruments: Presentation, the Group and the Bank report financial assets and financial liabilities on a net basis on the statements of financial position, only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The following table shows the impact of netting arrangements on:

- (i) all financial assets and liabilities that are reported net on the statements of financial position; and
- (ii) all financial assets and liabilities that are subject to enforceable master netting arrangements or similar agreements, but do not qualify for statements of financial position netting.

**(a) Financial assets**

	Gross amounts of recognised financial liabilities set off in the statements of financial position	Gross amounts of recognised financial assets	Net amounts of financial assets presented in the statements of financial position	Related amounts not set off in the statements of financial position	Cash collateral received	Net amount
	RM'000	RM'000	RM'000	Financial instruments RM'000	RM'000	RM'000
<b>GROUP</b>						
30 September 2021						
Derivative financial assets	94,896	-	94,896	(47,072)	(15,025)	32,799
Amounts due from clients and brokers	178,003	(51,828)	126,175	-	-	126,175
	<u>272,899</u>	<u>(51,828)</u>	<u>221,071</u>	<u>(47,072)</u>	<u>(15,025)</u>	<u>158,974</u>
<b>BANK</b>						
30 September 2021						
Derivative financial assets	94,896	-	94,896	(47,072)	(15,025)	32,799
<b>GROUP</b>						
31 March 2021						
Derivative financial assets	153,735	-	153,735	(49,769)	(27,810)	76,156
Amounts due from clients and brokers	193,562	(88,521)	105,041	-	-	105,041
Total	<u>347,297</u>	<u>(88,521)</u>	<u>258,776</u>	<u>(49,769)</u>	<u>(27,810)</u>	<u>181,197</u>
<b>BANK</b>						
31 March 2021						
Derivative financial assets	153,735	-	153,735	(49,769)	(27,810)	76,156

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**A34 Offsetting Financial Assets And Financial Liabilities (Contd.)**
**(b) Financial liabilities**

	Gross amounts of recognised financial assets set off in the statements of financial position RM'000	Gross amounts of recognised financial liabilities position RM'000	Net amounts of financial liabilities presented in the statements of financial position RM'000	Related amounts not set off in the statements of financial position	Cash collateral pledged RM'000	Net amount RM'000
	<u>Gross amounts of recognised financial liabilities RM'000</u>	<u>position RM'000</u>	<u>position RM'000</u>	<u>Financial instruments RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>GROUP</b>						
30 September 2021						
Derivative financial liabilities	160,630	-	160,630	(47,072)	(83,293)	30,265
Amounts due to clients and brokers	141,083	(51,828)	89,255	-	-	89,255
Total	<u>301,713</u>	<u>(51,828)</u>	<u>249,885</u>	<u>(47,072)</u>	<u>(83,293)</u>	<u>119,520</u>
<b>BANK</b>						
30 September 2021						
Derivative financial liabilities	<u>160,630</u>	<u>-</u>	<u>160,630</u>	<u>(47,072)</u>	<u>(83,293)</u>	<u>30,265</u>
<b>GROUP</b>						
31 March 2021						
Derivative financial liabilities	149,410	-	149,410	(49,769)	(61,381)	38,260
Amounts due to clients and brokers	151,937	(88,521)	63,416	-	-	63,416
Total	<u>301,347</u>	<u>(88,521)</u>	<u>212,826</u>	<u>(49,769)</u>	<u>(61,381)</u>	<u>101,676</u>
<b>BANK</b>						
31 March 2021						
Derivative financial liabilities	<u>149,410</u>	<u>-</u>	<u>149,410</u>	<u>(49,769)</u>	<u>(61,381)</u>	<u>38,260</u>

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements, each agreement between the Group and the Bank and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

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**PART B - Explanatory Notes Pursuant To Appendix 9B Of Bursa Securities' Listing Requirements****B1 Financial Review for Financial Quarter and Financial Period to Date****GROUP**

	<b>2nd Quarter Ended 30 September 2021 RM'000</b>	<b>2nd Quarter Ended 30 September 2020 RM'000</b>	<b>Changes %</b>
Net income/revenue	452,982	474,446	(4.5)
Operating profit before allowance	257,379	283,851	(9.3)
Operating profit after allowance	223,958	132,933	68.5
Profit before taxation	223,972	132,964	68.4
Profit after taxation	172,741	103,944	66.2
Profit attributable to ordinary equity holders of the Bank	172,741	103,944	66.2

	<b>Six Months Ended 30 September 2021 RM'000</b>	<b>Six Months Ended 30 September 2020 RM'000</b>	<b>Changes %</b>
Net income/revenue	935,937	896,054	4.5
Operating profit before allowance	546,987	518,710	5.5
Operating profit after allowance	418,265	272,699	53.4
Profit before taxation	418,296	272,752	53.4
Profit after taxation	318,755	208,256	53.1
Profit attributable to ordinary equity holders of the Bank	318,755	208,256	53.1

	<b>2nd Quarter Ended 30 September 2021 RM'000</b>	<b>1st Quarter Ended 30 June 2021 RM'000</b>	<b>Changes %</b>
Net income/revenue	452,982	482,955	(6.2)
Operating profit before allowance	257,379	289,608	(11.1)
Operating profit after allowance	223,958	194,307	15.3
Profit before taxation	223,972	194,324	15.3
Profit after taxation	172,741	146,014	18.3
Profit attributable to ordinary equity holders of the Bank	172,741	146,014	18.3

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**B1 Financial Review for Financial Quarter and Financial Period to Date (Contd.)****BANK**

	<b>2nd Quarter Ended 30 September 2021 RM'000</b>	<b>2nd Quarter Ended 30 September 2020 RM'000</b>	<b>Changes %</b>
Net income/revenue	340,068	360,314	(5.6)
Operating profit before allowance	191,346	210,281	(9.0)
Operating profit after allowance	169,062	108,456	55.9
Profit before taxation	169,062	108,456	55.9
Profit after taxation	130,413	86,581	50.6
Profit attributable to ordinary equity holders of the Bank	130,413	86,581	50.6

	<b>Six Months Ended 30 September 2021 RM'000</b>	<b>Six Months Ended 30 September 2020 RM'000</b>	<b>Changes %</b>
Net income/revenue	717,792	670,800	7.0
Operating profit before allowance	420,647	378,917	11.0
Operating profit after allowance	343,785	215,987	59.2
Profit before taxation	343,785	215,987	59.2
Profit after taxation	268,454	166,763	61.0
Profit attributable to ordinary equity holders of the Bank	268,454	166,763	61.0

	<b>2nd Quarter Ended 30 September 2021 RM'000</b>	<b>1st Quarter Ended 30 June 2021 RM'000</b>	<b>Changes %</b>
Net income/revenue	340,068	377,724	(10.0)
Operating profit before allowance	191,346	229,301	(16.6)
Operating profit after allowance	169,062	174,723	(3.2)
Profit before taxation	169,062	174,723	(3.2)
Profit after taxation	130,413	138,041	(5.5)
Profit attributable to ordinary equity holders of the Bank	130,413	138,041	(5.5)

## **B2 Review Of Performance**

### **Review of Performance for the Second Quarter Ended 30 September 2021**

#### Profitability

The Group's net profit after taxation was RM318.8 million for the six months ended 30 September 2021, an increase of RM110.5 million or 53.1% year-on-year ("YOY"). The higher profits were largely due to lower allowance for expected credit losses and higher revenue from net interest income.

Net interest income improved by RM56.7 million or 8.5% YOY. Net interest margin ("NIM") came in higher at 2.49% (1HFY2021: 2.22%).

#### Loan Growth

The Group's loans, advances and financing declined by 0.7% due to the soft economic environment caused by the prolonged re-imposition of various Movement Control Orders (MCOs). Nevertheless, the Group is committed to grow its loans, advances and financing portfolios in the second half of FY2022.

#### Other Operating Income

The Group recorded other operating income of RM212.8 million, lower by RM16.8 million or 7.3% YOY, mainly from lower treasury and investment income, brokerage and credit card fees offset by an increase in trade fee income and wealth management income.

#### Managing Operating Expenses

Operating expenses increased by RM11.6 million or 3.1%, mainly from investments in the sales force, the expansion of the collections team and higher establishment costs. Owing to an increase in revenue of 4.5%, the cost-to-income ratio ("CIR") improved from 42.1% to 41.6%. The Group will continue to focus on cost-saving efforts as we navigate through the COVID-19 pandemic.

#### Asset Quality

The Group's allowance for expected credit losses on loans, advances, financing and other debts for 1HFY2022 stood at RM128.7 million. Given the impact of COVID-19 on the economy, included in the allowance for expected credit losses on loans, advances, financing and other debts for 1HFY2022 were reserves that the Group continued to build up via management overlays amounting to RM86.3 million. The net credit cost was at 29.3bps for 1HFY2022 (1HFY2021: 56.3bps). Loan loss coverage (including regulatory reserves) was at 111.1%.

The Group will continue to be vigilant in its implementation of the credit risk framework in each line of business by stratifying customers according to risk levels and prioritising customer calls or visits and its control of credit cost by refining credit policies, tightening credit underwriting and increasing collection efforts.

#### Healthy Funding and Liquidity Position

The Group maintained a high current account/savings account ("CASA") ratio of 49.6% YOY. Its customer-based funding stood at RM47.1 billion. Through our funding strategy, the Group's liquidity coverage and loans-to-funds ratios stood at 165.7% and 86.5% respectively. The Group will continue to maintain ample liquidity ratios and ensure a sufficient liquidity buffer to mitigate any payment shocks resulting from the uncertainties caused by COVID-19.

## **B2 Review Of Performance (Contd.)**

### **Review of Performance for the Second Quarter Ended 30 September 2021 (contd.)**

#### **Proactive Capital Management**

Our conservative capital management approach resulted in the Group maintaining a robust capital position. We continue to maintain one of the strongest capital levels in the industry, with Common Equity Tier-1 (CET 1) ratio at 17.1%, Tier- 1 Capital ratio at 18.0% and total capital ratio at 22.3%.

#### **Performance by Business Segment and Subsidiary**

The Group's business segments comprise Consumer Banking, Business Banking, Financial Markets and Investment Banking.

The Group Consumer Banking segment recorded a loss before tax of RM37.9 million YOY due to higher allowance for expected credit losses, including management overlays, related to the economic impact of COVID-19 on our more vulnerable customers, lower net income and higher operating expenses. Net income was lower by RM27.4 million or 8.8% mainly due to net interest income decreased by RM36.0 million while other operating income increased by RM8.7 million. Operating expenses increased by RM4.4 million or 2.4%. The segment assets recorded at RM18.8 billion.

The Group Business Banking segment, comprising corporate, commercial and SME banking, recorded a profit before tax of RM227.2 million, an increase of 73.1% YOY. Net income increased by RM8.8 million or 2.4% due to higher net interest income by RM6.8 million and higher other operating income by RM1.9 million. Operating expenses increased by RM5.0 million or 3.4%. Allowance for expected credit losses were lower by RM92.2 million. Segment assets recorded at RM24.2 billion.

Profit before tax in the Group Financial Markets segment increased by 40.3% or RM67.1 million YOY to RM233.8 million. Net income was higher by RM63.7 million or 33.4% due to higher net interest income. Operating expenses decreased by RM3.3 million or 13.9%. Segment assets recorded at RM16.8 billion.

The Investment Banking segment recorded a profit before tax of RM3.4 million.

The Islamic Banking segment which consist of Consumer Banking, Business Banking and Financial Markets, recorded a net profit after taxation of RM52.9 million, representing an increase of RM32.0 million compared to the corresponding period last year due to higher revenue from net profit income, other operating income and lower allowance for expected credit losses. Net income was higher by RM19.2 million or 11.2%. Net profit income was higher by RM9.4 million while other operating income was higher by RM9.8 million. Operating expenses increased by RM7.4 million or 12.4%. Allowance for expected credit losses stood at RM53.2 million. Total assets stood at RM13.8 billion.

#### **Current Quarter vs Previous Year Corresponding Quarter**

The Group's profit after taxation of RM172.7 million for the quarter was 66.2% or RM68.8 million higher compared to the previous corresponding quarter, mainly due to higher interest income and lower credit cost.

#### **Key Quarter-on-Quarter Performance Highlights**

- Net interest income was higher by RM19.2 million or 5.7% mainly due to lower funding cost.
- NIM grew by 24bps to 2.47%.
- Other operating income decreased by RM40.7 million or 30.1% due to lower treasury and investment income and wealth management income.
- Operating expenses were higher by RM5.0 million or 2.6% mainly from personnel cost.
- Net credit cost was 7.5bps.



### **B3 Comparison with Immediate Preceding Quarter**

As compared to the immediate preceding quarter, the Group's profit after taxation of RM172.7 million for the quarter was higher by RM26.7 million or 18.3%, mainly due to lower credit cost.

#### **Key Quarter-on-Quarter Performance Highlights**

- Net interest income decreased by RM5.9 million or 1.6% mainly due to lower interest income from loans, advances and financing.
- NIM was at 2.47%, slightly lower by 3bps.
- Other operating income decreased by RM24.0 million or 20.3% due to lower treasury and investment income and fee income.
- Operating expenses were higher by RM2.3 million or 1.2% from all lines of expenses.
- Net credit cost was 7.5bps, improved by 14.3bps.

### **B4 Prospect for the Current Financial Period**

For 2021, Bank Negara Malaysia (BNM) projects Malaysia's gross domestic product (GDP) growth to range between 3.0% and 4.0% (previous forecast: 6.0% - 7.5%). Growth is set to proceed at a stronger pace in 4Q21 following the relaxation of lockdown measures in recent months, ongoing policy measures as well as the continuation of large-scale infrastructure projects. On the external front, global demand recovery and the ongoing tech upcycle will stimulate Malaysia's economic growth, especially for manufacturing and export-oriented sectors.

Given the impact of the COVID-19 pandemic, the Group will continue to extend its Payment Relief Assistance ("PRA") packages to help individuals and businesses facing cash flow constraints. This is also inline with the Government's announcement of the "PEMULIH" aid package where all borrowers (including micro entrepreneurs) are eligible for a six-month loan moratorium or 50% reduction in loan instalments.

To date, the Group has provided over RM15.1 billion in payment relief assistance of which close to RM12.3 billion in moratoria to businesses and individuals. The Group has simplified the application process to make it easier for customers to obtain a PRA package.

The Group also rolled out various relief funds to support our customers impacted by the pandemic. For the 1HFY2022, the Group has disbursed more than RM280 million from Bank Negara Malaysia's Targeted Relief and Recovery Facility. The Group will continue to facilitate applications for government relief funds such as the Targeted Relief and Recovery Facility, Micro Enterprises Facility and High Tech Facility on behalf of our customers.

Notwithstanding the above, the Group will focus on growing the business in three areas:

- (i) Scale up SME and Consumer Banking, by equipping relationship managers with digital tools to serve high-value customers and growing its Commercial teams.
- (ii) Accelerate the cross-selling value propositions to our customers to increase market penetration and fee-based income.
- (iii) Enhance productivity and efficiency by streamlining processes through centralising functions and improving branch productivity.

With these focus areas, and the Group's continuing effort to apply prudent management practices, the Group expects to deliver sustainable returns to our shareholders while strengthening our market presence.

## **B5 Profit Forecast**

There was no profit forecast issued by the Group and the Bank.

## **B6 Taxation**

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>GROUP</u></b>				
- Income tax	<b>58,083</b>	(30,792)	<b>102,431</b>	7,542
- Deferred tax	<b>(6,852)</b>	59,458	<b>(2,749)</b>	56,600
- Real property gain tax	-	-	<b>(141)</b>	-
- Under provision for taxation in prior financial period	-	354	-	354
	<b>51,231</b>	<b>29,020</b>	<b>99,541</b>	<b>64,496</b>
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>BANK</u></b>				
- Income tax	<b>42,725</b>	(26,234)	<b>72,719</b>	-
- Deferred tax	<b>(4,076)</b>	47,842	<b>2,753</b>	48,957
- Real property gain tax	-	-	<b>(141)</b>	-
- Under provision for taxation in prior financial period	-	267	-	267
	<b>38,649</b>	<b>21,875</b>	<b>75,331</b>	<b>49,224</b>

The Group's effective tax rate for the current financial period ended 30 September 2021 was lower than the current statutory tax rate of 24% due to income not subject to tax.

## **B7 Profit/(Loss) on Sale of Unquoted Investments or Properties**

There was no material profit/(loss) on sale of unquoted investments or properties for the current financial period ended 30 September 2021 other than in the ordinary course of business.

## **B8 Purchase and Disposal of Quoted Securities**

There was no purchase or disposal of quoted securities for the current financial period ended 30 September 2021 other than Investments held by the Group and the Bank whose activities are regulated by law relating to banking companies and are subject to supervision by Bank Negara Malaysia ("BNM").

## **B9 Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at financial report date.

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**B10 Deposits from Customers, Deposits and Placements of Banks and Other Financial Institutions and Debts Securities**

	<u>GROUP</u>		<u>BANK</u>	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
	RM'000	RM'000	RM'000	RM'000
<b>(a) Deposits from customers</b>				
Fixed deposits, negotiable instruments of deposits and money market deposits:				
- One year or less (short term)	<b>23,150,610</b>	25,149,438	<b>17,494,257</b>	18,864,817
- More than one year (medium/long term)	<b>198,859</b>	539,376	<b>40,998</b>	84,328
	<b>23,349,469</b>	25,688,814	<b>17,535,255</b>	18,949,145
Others	<b>22,960,699</b>	22,799,699	<b>17,170,906</b>	17,201,171
	<b>46,310,168</b>	48,488,513	<b>34,706,161</b>	36,150,316
<b>(b) Deposits and placements of banks and other financial institutions</b>				
- One year or less (short term)	<b>700,893</b>	651,349	<b>352,960</b>	111,480
- More than one year (medium/long term)	<b>935,410</b>	741,303	<b>757,605</b>	547,897
	<b>1,636,303</b>	1,392,652	<b>1,110,565</b>	659,377
<b>(c) Subordinated obligations</b>				
Tier II Subordinated Medium Term Notes (unsecured)				
- More than one year (medium/long term)	<b>1,218,924</b>	1,218,706	<b>1,218,454</b>	1,218,182
Additional Tier 1 Capital Securities (unsecured)				
- More than one year (medium/long term)	<b>354,035</b>	354,012	<b>253,883</b>	253,796
	<b>1,572,959</b>	1,572,718	<b>1,472,337</b>	1,471,978

**B11 Derivative Financial Assets/(Liabilities)**

Derivative financial instruments measured at fair values together with their corresponding contract/notional amounts:

<b>GROUP/BANK</b>	<b>As at 30 September 2021</b>			<b>As at 31 March 2021</b>		
	<b>Principal RM'000</b>	<b>Fair value Assets RM'000</b>	<b>Liabilities RM'000</b>	<b>Principal RM'000</b>	<b>Fair value Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>Trading Derivatives</b>						
Foreign exchange and commodity contracts						
Currency forwards						
- one year or less	2,377,693	14,582	(7,338)	2,861,246	46,035	(3,795)
- over one year to three years	469,789	976	(7,021)	399,396	637	(5,650)
- over three years	228,178	663	(2,112)	321,470	1,280	(3,428)
Currency swaps						
- one year or less	5,156,124	8,217	(18,514)	4,551,148	3,910	(37,962)
- over one year to three years	314,091	3,302	(1,231)	282,265	1,780	(273)
- over three years	231,643	1,600	(199)	340,136	6,781	-
Currency spots						
- one year or less	117,631	208	(189)	125,653	234	(84)
Currency options						
- one year or less	208,339	329	(95)	179,982	271	(55)
	<b>9,103,488</b>	<b>29,877</b>	<b>(36,699)</b>	<b>9,061,296</b>	<b>60,928</b>	<b>(51,247)</b>
Interest rate derivatives						
Interest rate swap	7,473,429	61,082	(49,341)	7,575,493	79,784	(50,355)
- one year or less	2,471,883	9,177	(7,963)	2,099,218	11,054	(6,050)
- over one year to three years	3,392,041	39,500	(26,383)	3,984,245	52,302	(35,587)
- over three years	1,609,505	12,405	(14,995)	1,492,030	16,428	(8,718)
Equity related derivatives						
- one year or less	351,904	3,170	(61,228)	295,184	12,356	(35,606)
- over one year to three years	197,570	552	(13,362)	214,860	667	(12,202)
<b>Hedging derivatives</b>						
Currency swaps						
- one year or less	83,735	215	-	-	-	-
<b>Total derivatives assets/(liabilities)</b>	<b>17,210,126</b>	<b>94,896</b>	<b>(160,630)</b>	<b>17,146,833</b>	<b>153,735</b>	<b>(149,410)</b>

- (i) The Group's and the Bank's derivative are subject to credit risk, market risk and liquidity risk as follow:

Credit Risk

Credit risk is the risk of financial loss resulting from the failure of the counterparties to fulfil their contractual obligations to settle commitments. Exposure to credit risk may be categorised as primary or secondary. This exposure is monitored on an on-going basis against predetermined counterparty limits. As at 30 September 2021, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM94,896,000 (31 March 2021: RM153,735,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

**B11 Derivative Financial Assets/(Liabilities) (Contd.)**

- (i) The Group's and the Bank's derivative are subject to credit risk, market risk and liquidity risk as follow: (contd.)

Market Risk

Market Risk is the risk of loss of earnings arising from changes in interest rates, foreign exchange rates, equity prices, commodity prices and in their implied volatilities.

The Group has established a framework of approved risk policies, measurement methodologies and risk limits as approved by the Group Risk Management Committee to manage market risk. Market risk arising from the trading activities is controlled via position limits, sensitivity limits and regular revaluation of positions versus market prices, where available.

Liquidity Risk

Liquidity risk is the inability of the Group to meet financial commitment when due.

The Group's liquidity risk profile is managed using liquidity risk management strategies set in Liquidity Risk Management Policy. Liquidity Risk Measures are monitored against approved threshold by Group Assets and Liabilities Management Committee and Group Risk Management Committee. A contingency funding plan is also established by the Group as a forward-looking measure to ensure that liquidity risk can be addressed according to the degrees of key risk indicators, and which incorporates alternative funding strategies which are ready to be implemented on a timely basis to mitigate the impact of unforeseen adverse changes in liquidity in the market place.

- (ii) Cash Requirements of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Group's and the Bank's credit ratings. As at 30 September 2021, the Group and the Bank had posted cash collateral of RM83,293,000 (31 March 2021: RM61,381,000) on their derivative contracts.

- (iii) Related accounting policies

Derivative financial instruments are initially recognised at fair value, which is normally zero or negligible at inception except for options and subsequently re-measured at their fair value. The fair value of options at inception is normally equivalent to the premium received (for options written) or paid (for options purchased). All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value are recognised in the statement of comprehensive income.

Interest income and expenses associated with interest rate swaps are recognised over the life of the swap agreement as a component of interest income or interest expense.

- (iv) There have been no changes since the end of the previous financial year in respect of the following:

- (a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- (b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
- (c) the related accounting policies.

The credit risk, market risk and liquidity risk associated with the derivatives and the policies in place for mitigating or controlling the risks with these derivatives are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2021.

## **B12 Changes in Material Litigation**

The Group and the Bank do not have any material litigation which would materially and adversely affect the financial position of the Group and the Bank for the current financial period ended 30 September 2021.

## **B13 Dividend Declared**

The Board of Directors has declared a single tier first interim dividend of 8.30 sen per share amounting to approximately RM128,493,000 in respect of financial year ending 31 March 2022, to be paid on 30 December 2021 to shareholders registered in the Records of Depositors at the close of business on 15 December 2021.

## **B14 Earnings Per Share**

### **(a) Basic**

Basic earnings per share is calculated by dividing profit for the period attributable to Equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial period.

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b><u>GROUP</u></b>				
Net profit for the financial period attributable to Equity holders of the Bank (RM'000)	<b><u>172,741</u></b>	<b><u>103,944</u></b>	<b><u>318,755</u></b>	<b><u>208,256</u></b>
Weighted average numbers of ordinary shares in issue ('000)	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>
Basic earnings per share (sen)	<b><u>11.2</u></b>	<b><u>6.7</u></b>	<b><u>20.6</u></b>	<b><u>13.5</u></b>

	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b><u>BANK</u></b>				
Net profit for the financial period attributable to Equity holders of the Bank (RM'000)	<b><u>130,413</u></b>	<b><u>86,581</u></b>	<b><u>268,454</u></b>	<b><u>166,763</u></b>
Weighted average numbers of ordinary shares in issue ('000)	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>	<b><u>1,548,106</u></b>
Basic earnings per share (sen)	<b><u>8.4</u></b>	<b><u>5.6</u></b>	<b><u>17.3</u></b>	<b><u>10.8</u></b>

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**B14 Earnings Per Share (Contd.)**

**(b) Diluted**

For the purpose of calculating diluted earnings per share, the profit for the period attributable to Equity holders of the Bank and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, (non-cumulative).

There were no dilutive potential ordinary shares outstanding as at 30 September 2021 and 30 September 2020 respectively. As a result, the dilutive earnings per share equal to basic earnings per share for financial period ended 30 September 2021 and 30 September 2020.

**By Order of the Board**

**LEE WEI YEN (MAICSA 7001798) (SSM PC No. 202008002080)**

Group Company Secretary

Kuala Lumpur

26 November 2021