

PILLAR 3 DISCLOSURE

UNAUDITED AS AT 31 MARCH 2020

CAPITAL ADEQUACY

The Group's regulator, Autoriti Monetari Brunei Darussalam sets and monitors capital requirements for the Group.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group's overall strategy remains unchanged from the previous financial year.

The capital structure of the Group consists of equity of the Bank and its subsidiaries (comprising issued capital, reserves, and retained earnings).

The Group has complied with all imposed capital requirements at all times during the reporting period. Management monitors capital based on the "capital funds" as defined under the Banking Order, 2006.

	Bank	Group
	Mar 2020	Mar 2020
	B\$'000	B\$'000
Capital		
Core Capital (Tier I Capital)	397,225	499,956
Supplementary Capital (Tier II Capital)	20,563	26,634
Less: Investment in Subsidiaries	(47,949)	-
Total Capital base	369,839	526,590
Risk-weighted amount		
Risk-Weighted amount for Credit Risk	1,645,018	2,298,734
Risk-Weighted amount for Operational Risk	265,271	324,674
Risk-Weighted amount for Market Risk	2,624	2,676
Total Risk-weighted amount	1,912,913	2,626,084
Capital Ratios		
Core Capital (Tier I) Ratio, %	20.77%	19.04%
Total Capital Ratio, %	19.33%	20.05%