

# PILLAR 3 DISCLOSURE

UNAUDITED AS AT 30 SEPTEMBER 2019

## 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 (comprising issued capital, reserves, and retained earnings).

The Group has complied with all imposed capital requirements at all times during the reporting period.

	<b>Bank</b>	<b>Group</b>
	Sep 2019	Sep 2019
	B\$'000	B\$'000
<b>Capital</b>		
Core Capital (Tier I Capital)	367,615	453,686
Supplementary Capital (Tier II Capital)	18,930	27,006
Less: Investment in Subsidiaries	(47,949)	-
<b>Total Capital base</b>	<b>338,596</b>	<b>480,692</b>
<b>Risk-weighted amount</b>		
Risk-Weighted amount for Credit Risk	1,514,388	2,160,461
Risk-Weighted amount for Operational Risk	249,633	307,852
Risk-Weighted amount for Market Risk	4,983	4,748
<b>Total Risk-weighted amount</b>	<b>1,769,004</b>	<b>2,473,061</b>
<b>Capital Ratios</b>		
Core Capital (Tier I) Ratio, %	20.78%	18.35%
<b>Total Capital Ratio, %</b>	<b>19.14%</b>	<b>19.44%</b>