

RHB Bank Berhad
Basel II Pillar 3 Disclosures
30 June 2019

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

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STATEMENT BY GROUP MANAGING DIRECTOR

In accordance with the requirements of Bank Negara Malaysia's Guideline on 'Risk-Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3)', and on behalf of the Board and Senior Management of RHB Bank Berhad, I am pleased to provide an attestation that the Basel II Pillar 3 Disclosures of RHB Bank Berhad as at 30 June 2019 are accurate and complete.

DATO' KHAIRUSSALEH BIN RAMLI
Group Managing Director

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INTRODUCTION

This document describes RHB Bank Berhad's (RHB Bank) risk profile and capital adequacy position in accordance with the disclosure requirements as outlined in the Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3) issued by Bank Negara Malaysia (BNM).

BNM's guidelines on Capital Adequacy Framework (Basel II - Risk Weighted Assets) and the Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) provide and specify the approaches for quantifying the risk-weighted assets for credit risk, market risk and operational risk.

For the purposes of complying with regulatory requirements under Basel II Pillar 1, the approaches adopted by the respective banking entities within the Group are as follows:

| Entity | Credit Risk | Market Risk | Operational Risk |
|----------------------------|---------------------------------|-----------------------|--------------------------|
| RHB Bank Berhad | Internal Ratings-Based Approach | Standardised Approach | Basic Indicator Approach |
| RHB Islamic Bank Berhad | | | |
| RHB Investment Bank Berhad | Standardised Approach | | |

This document covers the quantitative information as at 30 June 2019 with comparative quantitative information of the preceding financial year as at 31 December 2018. This disclosure report has been verified and approved internally in line with the RHB Banking Group Pillar 3 Disclosure Policy.

RHB Bank Berhad's Pillar 3 disclosure report will be made available under the Investor Relations section of the Group's website at www.rhbgroup.com as a separate report in the half-yearly condensed financial statements after the notes to the financial statements.

SCOPE OF APPLICATION

In this Pillar 3 document, RHB Bank Berhad's information is presented on a consolidated basis, namely RHB Bank Berhad (RHB Bank), its overseas operations and its subsidiaries, and is referred to as the 'RHB Bank Group' or 'the Group'.

In accordance with the accounting standards for financial reporting, all subsidiaries of the RHB Bank Group are fully consolidated from the date it obtains control until the date such control ceases. Refer to Note 16 to the financial statements for list of consolidated entities.

The Group's capital requirements are generally based on the principles of consolidation adopted in the preparation of its financial statements, except where the types of investment to be deducted from eligible capital as guided by BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).

The Group offers Islamic banking financial services via the Bank's wholly-owned subsidiary company, RHB Islamic Bank Berhad (RHB Islamic Bank).

The transfer of funds or regulatory capital within the Group is subject to shareholders' and regulatory approval.

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Table 1: Capital Adequacy Ratios

| | RHB Bank Group | | RHB Bank | | RHB Islamic Bank | | RHB Investment Bank | |
|---|----------------|------------|------------|------------|------------------|------------|---------------------|------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| <u>Before proposed dividends</u> | | | | | | | | |
| Common Equity Tier I Capital Ratio | 16.744% | 15.920% | 14.709% | 13.818% | 13.338% | 13.222% | 26.888% | 21.323% |
| Tier I Capital Ratio | 16.897% | 16.128% | 14.911% | 14.077% | 13.338% | 13.222% | 26.888% | 21.323% |
| Total Capital Ratio | 19.808% | 19.213% | 17.762% | 17.398% | 16.401% | 16.476% | 52.080% | 40.757% |
| <u>After proposed dividends</u> | | | | | | | | |
| Common Equity Tier I Capital Ratio | 16.319% | 15.488% | 14.148% | 13.254% | 13.338% | 13.222% | 26.888% | 21.323% |
| Tier I Capital Ratio | 16.472% | 15.696% | 14.350% | 13.514% | 13.338% | 13.222% | 26.888% | 21.323% |
| Total Capital Ratio | 19.383% | 18.780% | 17.200% | 16.835% | 16.401% | 16.476% | 52.080% | 40.757% |

Table 2: Risk Weighted Assets (RWA) by Risk Types

| Risk Types | RHB Bank Group | | RHB Bank | | RHB Islamic | | RHB Investment Bank | |
|-------------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|---------------------|------------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Credit RWA | 103,360,001 | 104,908,738 | 78,511,826 | 81,202,389 | 26,677,134 | 25,943,117 | 646,928 | 612,585 |
| Credit RWA Absorbed by PSIA | - | - | - | - | (5,973,488) | (5,874,587) | - | - |
| Market RWA | 2,758,353 | 3,852,444 | 2,359,449 | 2,945,831 | 141,597 | 268,130 | 175,257 | 678,014 |
| Operational RWA | 11,866,544 | 11,762,542 | 8,438,277 | 8,394,333 | 1,805,373 | 1,679,551 | 797,728 | 807,022 |
| Additional RWA due to Capital Floor | - | - | - | - | 6,742,211 | 5,599,323 | - | - |
| Total RWA | 117,984,898 | 120,523,724 | 89,309,552 | 92,542,553 | 29,392,827 | 27,615,534 | 1,619,913 | 2,097,621 |

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Table 3a: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 30 June 2019

| <u>Risk Types</u> | RWA | | | | Minimum Capital Requirements | | | |
|---|--------------------|-------------------|-------------------|---------------------|------------------------------|------------------|------------------|---------------------|
| | RHB Bank Group | RHB Bank | RHB Islamic Bank | RHB Investment Bank | RHB Bank Group | RHB Bank | RHB Islamic Bank | RHB Investment Bank |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Credit Risk, of which | 103,360,001 | 78,511,826 | 20,703,646 | 646,928 | 8,268,800 | 6,280,946 | 1,656,292 | 51,754 |
| Under Foundation Internal Rating Based (F-IRB) Approach | 49,079,009 | 40,286,642 | 13,675,166 | - | 3,926,321 | 3,222,931 | 1,094,013 | - |
| Under Advanced Internal Rating Based (A-IRB) Approach | 29,235,117 | 21,358,858 | 7,920,950 | - | 2,338,809 | 1,708,709 | 633,676 | - |
| Under Standardised Approach | 25,045,875 | 16,866,326 | 5,081,018 | 646,928 | 2,003,670 | 1,349,306 | 406,481 | 51,754 |
| Absorbed by PSIA under F-IRB Approach | - | - | (4,905,346) | - | - | - | (392,427) | - |
| Absorbed by PSIA under Standardised Approach | - | - | (1,068,142) | - | - | - | (85,451) | - |
| Market Risk | | | | | | | | |
| Under Standardised Approach | 2,758,353 | 2,359,449 | 141,597 | 175,257 | 220,668 | 188,756 | 11,328 | 14,021 |
| Operational Risk | | | | | | | | |
| Under Basic Indicator Approach | 11,866,544 | 8,438,277 | 1,805,373 | 797,728 | 949,324 | 675,062 | 144,430 | 63,818 |
| Additional RWA due to Capital Floor | - | - | 6,742,211 | - | - | - | 539,377 | - |
| Total | 117,984,898 | 89,309,552 | 29,392,827 | 1,619,913 | 9,438,792 | 7,144,764 | 2,351,427 | 129,593 |

Table 3b: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 31 December 2018

| <u>Risk Types</u> | RWA | | | | Minimum Capital Requirements | | | |
|---|--------------------|-------------------|-------------------|---------------------|------------------------------|------------------|------------------|---------------------|
| | RHB Bank Group | RHB Bank | RHB Islamic Bank | RHB Investment Bank | RHB Bank Group | RHB Bank | RHB Islamic Bank | RHB Investment Bank |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Credit Risk, of which | 104,908,738 | 81,202,389 | 20,068,530 | 612,585 | 8,392,699 | 6,496,191 | 1,605,482 | 49,007 |
| Under Foundation Internal Rating Based (F-IRB) Approach | 50,669,274 | 42,191,889 | 13,735,988 | - | 4,053,542 | 3,375,351 | 1,098,879 | - |
| Under Advanced Internal Rating Based (A-IRB) Approach | 28,309,813 | 21,133,710 | 7,206,853 | - | 2,264,785 | 1,690,697 | 576,548 | - |
| Under Standardised Approach | 25,929,651 | 17,876,790 | 5,000,276 | 612,585 | 2,074,372 | 1,430,143 | 400,022 | 49,007 |
| Absorbed by PSIA under F-IRB Approach | - | - | (5,220,725) | - | - | - | (417,658) | - |
| Absorbed by PSIA under Standardised Approach | - | - | (653,862) | - | - | - | (52,309) | - |
| Market Risk | | | | | | | | |
| Under Standardised Approach | 3,852,444 | 2,945,831 | 268,130 | 678,014 | 308,196 | 235,666 | 21,450 | 54,241 |
| Operational Risk | | | | | | | | |
| Under Basic Indicator Approach | 11,762,542 | 8,394,333 | 1,679,551 | 807,022 | 941,003 | 671,547 | 134,364 | 64,562 |
| Additional RWA due to Capital Floor | - | - | 5,599,323 | - | - | - | 447,946 | - |
| Total | 120,523,724 | 92,542,553 | 27,615,534 | 2,097,621 | 9,641,898 | 7,403,404 | 2,209,242 | 167,810 |

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Table 4: Capital Structure

| | RHB Bank Group | | RHB Bank [@] | |
|---|-------------------|-------------------|-----------------------|-------------------|
| | 30.06.2019 | 31.12.2018 | 30.06.2019 | 31.12.2018 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Common Equity Tier I Capital / Tier I Capital</u> | | | | |
| Paid up ordinary share capital | 6,994,103 | 6,994,103 | 6,994,103 | 6,994,103 |
| Retained profits | 14,886,222 | 14,791,837 | 12,110,190 | 12,116,174 |
| Other reserves | 753,517 | 722,541 | 513,964 | 499,913 |
| Fair value through other comprehensive income (FVOCI) reserves | 1,063,400 | 319,844 | 944,786 | 299,322 |
| Less: | | | | |
| Goodwill | (2,638,198) | (2,633,383) | (1,651,542) | (1,651,542) |
| Intangible assets (include associated deferred tax liabilities) | (505,380) | (563,693) | (448,142) | (504,752) |
| Deferred tax assets | (52,286) | (100,192) | (48,489) | (55,305) |
| 55% of cumulative gains arising from change in value of FVOCI instruments | (584,870) | (175,914) | (519,632) | (164,627) |
| Investment in subsidiaries | (111,937) | (127,779) | (4,711,343) | (4,711,343) |
| Other deductions [#] | (49,323) | (39,524) | (47,139) | (34,675) |
| Total Common Equity Tier I Capital | 19,755,248 | 19,187,840 | 13,136,756 | 12,787,268 |
| Hybrid Tier I Capital Securities [*] | 180,000 | 240,000 | 180,000 | 240,000 |
| Qualifying non-controlling interests recognised as Tier I Capital | 322 | 10,606 | - | - |
| Total Tier I Capital | 19,935,570 | 19,438,446 | 13,316,756 | 13,027,268 |
| <u>Tier II Capital</u> | | | | |
| Subordinated obligations subject to gradual phase out treatment ^{**} | 300,000 | 300,000 | 300,000 | 300,000 |
| Subordinated obligations meeting all relevant criteria | 2,249,397 | 2,249,272 | 2,249,397 | 2,249,272 |
| Qualifying capital instruments of a subsidiary issued to third parties ⁺ | 497,833 | 501,504 | - | - |
| Surplus eligible provisions over expected losses | 470,151 | 473,875 | 370,285 | 379,954 |
| General provisions [^] | 263,159 | 192,590 | 163,957 | 144,014 |
| Less: | | | | |
| Investment in capital instrument of financial and insurance/ takaful entities | (345,713) | - | (537,470) | - |
| Total Tier II Capital | 3,434,827 | 3,717,241 | 2,546,169 | 3,073,240 |
| Total Capital | 23,370,397 | 23,155,687 | 15,862,925 | 16,100,508 |

[@] The capital adequacy ratios of the Bank consist of capital base and risk-weighted assets derived from the Bank and its wholly-owned offshore banking subsidiary, RHB Bank (L) Ltd.

[#] Pursuant to Basel II Market Risk Para 5.19 & 5.20 - Valuation Adjustments, the Capital Adequacy Framework (Basel II - Risk Weighted Assets) calculation shall account for the ageing, liquidity and holding back adjustments on its trading portfolio.

^{*} Hybrid Tier I Capital Securities that are recognised as Tier I capital instruments are subject to gradual phase out treatment effective from 1 January 2013 as prescribed under paragraph 37.7 of the BNM's Guideline on Capital Adequacy Framework (Capital Components).

^{**} Subordinated obligations that are recognised as Tier II capital instruments are subject to gradual phase out treatment effective from 1 January 2013 as prescribed under paragraph 37.7 of the BNM's Guideline on Capital Adequacy Framework (Capital Components).

⁺ Qualifying subordinated sukuk that are recognised as Tier II capital instruments held by third parties as prescribed under paragraph 17.6 of the BNM's Guideline on Capital Adequacy Framework (Capital Components) which are issued by a fully consolidated subsidiary of the Bank.

[^] Pursuant to BNM's policy document on Financial Reporting and Financial Reporting for Islamic Banking Institutions, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS9 Financial Instruments and regulatory reserves, to the extent they are ascribed to non-credit impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of the Group and Bank of RM179,982,000 (31 December 2018 : RM61,723,000) and RM96,759,000 (31 December 2018 : RM27,796,000) respectively.

Table 5a: Summary of Credit Exposures with Credit Risk Mitigation (CRM) by Asset Class and Minimum Capital Requirements (On and Off Balance Sheet Exposures) as at 30 June 2019

| RHB Bank Group | Gross Exposures / EAD before CRM | Net Exposures / EAD after CRM | Risk Weighted Assets | Minimum Capital Requirements |
|---|--|----------------------------------|-------------------------|------------------------------------|
| <u>Exposure Class</u> | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Exposures under Standardised Approach (SA)</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Sovereigns & Central Banks | 30,396,314 | 30,396,314 | 1,236,438 | 98,915 |
| Public Sector Entities | 11,393,200 | 11,385,668 | 337,337 | 26,987 |
| Banks, Development Financial Institutions & MDBs | 13,401,929 | 13,401,929 | 4,468,978 | 357,518 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 542,431 | 542,431 | 508,731 | 40,699 |
| Corporates | 9,129,840 | 7,126,087 | 5,445,375 | 435,630 |
| Regulatory Retail | 7,485,047 | 6,647,015 | 5,906,171 | 472,494 |
| Residential Mortgages | 800,764 | 793,533 | 280,880 | 22,470 |
| Higher Risk Assets | 466,778 | 466,778 | 700,167 | 56,013 |
| Other Assets | 4,319,329 | 4,319,329 | 2,679,012 | 214,321 |
| Securitisation Exposures | - | - | - | - |
| Equity Exposures | 866,980 | 866,980 | 866,980 | 69,359 |
| Defaulted Exposures | 340,566 | 339,255 | 375,755 | 30,060 |
| Total On Balance Sheet Exposures | 79,143,178 | 76,285,319 | 22,805,824 | 1,824,466 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | 1,605,463 | 1,297,999 | 377,215 | 30,177 |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 6,807,630 | 5,506,936 | 1,859,720 | 148,778 |
| Defaulted Exposures | 15,642 | 15,563 | 3,116 | 249 |
| Total Off Balance Sheet Exposures | 8,428,735 | 6,820,498 | 2,240,051 | 179,204 |
| Total On and Off Balance Sheet Exposures under SA | 87,571,913 | 83,105,817 | 25,045,875 | 2,003,670 |
| <u>Exposures under F-IRB Approach</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Corporates, of which | 73,916,665 | 73,916,665 | 41,051,967 | 3,284,157 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 40,393,507 | 41,864,269 | 20,870,020 | 1,669,601 |
| Corporate Exposures (with firm size adjustments) | 26,351,862 | 26,351,862 | 15,818,501 | 1,265,480 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,902,359 | 1,665,692 | 1,540,325 | 123,226 |
| Income Producing Real Estate | 5,268,937 | 4,034,842 | 2,823,121 | 225,850 |
| Defaulted Exposures | 2,187,238 | 2,187,238 | 112,426 | 8,994 |
| Total On Balance Sheet Exposures | 76,103,903 | 76,103,903 | 41,164,393 | 3,293,151 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | 247,974 | 247,974 | 214,872 | 17,190 |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 8,447,415 | 8,447,415 | 4,920,300 | 393,624 |
| Defaulted Exposures | 14,705 | 14,705 | 1,387 | 111 |
| Total Off Balance Sheet Exposures | 8,710,094 | 8,710,094 | 5,136,559 | 410,925 |
| <u>Exposures under A-IRB Approach</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Retail, of which | 93,219,009 | 93,219,009 | 24,575,160 | 1,966,013 |
| Residential Mortgages Exposures | 46,228,961 | 46,228,961 | 10,571,994 | 845,760 |
| Qualifying Revolving Retail Exposures | 2,005,240 | 2,005,240 | 1,485,790 | 118,863 |
| Hire Purchase Exposures | 7,934,620 | 7,934,620 | 2,768,371 | 221,470 |
| Other Retail Exposures | 37,050,188 | 37,050,188 | 9,749,005 | 779,920 |
| Defaulted Exposures | 1,729,863 | 1,729,863 | 363,611 | 29,089 |
| Total On Balance Sheet Exposures | 94,948,872 | 94,948,872 | 24,938,771 | 1,995,102 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | - | - | - | - |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 13,395,998 | 13,395,998 | 2,565,640 | 205,251 |
| Defaulted Exposures | 49,611 | 49,611 | 75,888 | 6,071 |
| Total Off Balance Sheet Exposures | 13,445,609 | 13,445,609 | 2,641,528 | 211,322 |
| Total On and Off Balance Sheet Exposures before scaling factor under the IRB Approach | 193,208,478 | 193,208,478 | 73,881,251 | 5,910,500 |
| Total On and Off Balance Sheet Exposures after scaling factor, 1.06 under the IRB Approach | 280,780,391 | 276,314,295 | 103,360,001 | 8,268,800 |

Table 5b: Summary of Credit Exposures with Credit Risk Mitigation (CRM) by Asset Class and Minimum Capital Requirements (On and Off Balance Sheet Exposures) as at 31 December 2018

| RHB Bank Group | Gross | Net Exposures / | Risk Weighted | Minimum |
|---|------------------------|----------------------|--------------------|------------------|
| <u>Exposure Class</u> | <u>Exposures / EAD</u> | <u>EAD after CRM</u> | <u>Assets</u> | <u>Capital</u> |
| | RM'000 | RM'000 | RM'000 | Requirements |
| | | | | RM'000 |
| <u>Exposures under Standardised Approach (SA)</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Sovereigns & Central Banks | 24,937,661 | 24,937,661 | 1,245,404 | 99,632 |
| Public Sector Entities | 10,484,752 | 10,484,752 | 341,890 | 27,351 |
| Banks, Development Financial Institutions & MDBs | 12,361,561 | 12,361,561 | 3,920,877 | 313,670 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 713,073 | 713,073 | 641,102 | 51,288 |
| Corporates | 10,287,093 | 8,421,012 | 6,401,856 | 512,148 |
| Regulatory Retail | 7,491,910 | 6,695,052 | 5,879,342 | 470,347 |
| Residential Mortgages | 888,628 | 880,438 | 312,848 | 25,028 |
| Higher Risk Assets | 494,971 | 494,971 | 742,456 | 59,397 |
| Other Assets | 4,910,527 | 4,910,527 | 2,932,079 | 234,566 |
| Securitisation Exposures | - | - | - | - |
| Equity Exposures | 842,708 | 842,708 | 842,708 | 67,417 |
| Defaulted Exposures | 317,294 | 312,471 | 324,006 | 25,921 |
| Total On Balance Sheet Exposures | 73,730,178 | 71,054,226 | 23,584,568 | 1,886,765 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | 2,125,433 | 1,830,186 | 505,752 | 40,460 |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 6,904,271 | 5,158,323 | 1,819,284 | 145,543 |
| Defaulted Exposures | 26,201 | 26,127 | 20,047 | 1,604 |
| Total Off Balance Sheet Exposures | 9,055,905 | 7,014,636 | 2,345,083 | 187,607 |
| Total On and Off Balance Sheet Exposures under SA | 82,786,083 | 78,068,862 | 25,929,651 | 2,074,372 |
| <u>Exposures under F-IRB Approach</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Corporates, of which | 72,748,563 | 72,748,563 | 42,572,917 | 3,405,833 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 40,686,208 | 42,157,288 | 23,547,825 | 1,883,826 |
| Corporate Exposures (with firm size adjustments) | 25,931,911 | 25,931,911 | 15,497,128 | 1,239,770 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,906,227 | 1,595,001 | 1,417,628 | 113,410 |
| Income Producing Real Estate | 4,224,217 | 3,064,363 | 2,110,336 | 168,827 |
| Defaulted Exposures | 2,237,979 | 2,237,979 | 84,309 | 6,745 |
| Total On Balance Sheet Exposures | 74,986,542 | 74,986,542 | 42,657,226 | 3,412,578 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | 284,258 | 284,258 | 284,541 | 22,763 |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 8,457,342 | 8,457,342 | 4,859,435 | 388,755 |
| Defaulted Exposures | 7,100 | 7,100 | - | - |
| Total Off Balance Sheet Exposures | 8,748,700 | 8,748,700 | 5,143,976 | 411,518 |
| <u>Exposures under A-IRB Approach</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Retail, of which | 89,444,481 | 89,444,481 | 23,838,357 | 1,907,069 |
| Residential Mortgages Exposures | 43,810,063 | 43,810,063 | 9,992,986 | 799,439 |
| Qualifying Revolving Retail Exposures | 2,027,858 | 2,027,858 | 1,468,660 | 117,493 |
| Hire Purchase Exposures | 7,842,696 | 7,842,696 | 2,764,165 | 221,133 |
| Other Retail Exposures | 35,763,864 | 35,763,864 | 9,612,546 | 769,004 |
| Defaulted Exposures | 1,665,700 | 1,665,700 | 348,284 | 27,863 |
| Total On Balance Sheet Exposures | 91,110,181 | 91,110,181 | 24,186,641 | 1,934,932 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | - | - | - | - |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 12,786,579 | 12,786,579 | 2,462,138 | 196,971 |
| Defaulted Exposures | 36,342 | 36,342 | 58,592 | 4,687 |
| Total Off Balance Sheet Exposures | 12,822,921 | 12,822,921 | 2,520,730 | 201,658 |
| Total On and Off Balance Sheet Exposures before scaling factor under the IRB Approach | 187,668,344 | 187,668,344 | 74,508,573 | 5,960,686 |
| Total On and Off Balance Sheet Exposures after scaling factor, 1.06 under the IRB Approach | | | 78,979,087 | 6,318,327 |
| Total (Exposures under the SA Approach and Exposures under the IRB Approach) | 270,454,427 | 265,737,206 | 104,908,738 | 8,392,699 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 6a: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 30 June 2019

| RHB Bank Group | Principal / Notional Amount RM'000 | Positive Fair Value of Derivative Contracts RM'000 | Credit Equivalent Amount RM'000 | Risk Weighted Assets RM'000 |
|--|---|--|--|-----------------------------------|
| Direct credit substitutes | 1,468,125 | | 1,365,611 | 692,180 |
| Transaction related contingent items | 4,176,414 | | 2,019,301 | 1,084,566 |
| Short term self liquidating trade related contingencies | 966,299 | | 202,741 | 133,147 |
| Forward asset purchases, forward deposits, partly paid shares and securities which represent commitments with certain drawdowns | 672,208 | | 672,208 | - |
| NIFs and obligations under underwriting agreement | - | | - | - |
| Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions | 2,728,830 | | 2,728,830 | 184,511 |
| Foreign exchange related contracts | 9,921,499 | 84,740 | 201,580 | 84,589 |
| 1 year or less | 9,893,137 | 84,740 | 200,835 | 83,295 |
| Over 1 year to 5 years | 28,362 | - | 745 | 1,294 |
| Over 5 years | - | - | - | - |
| Interest/profit rate related contracts | 2,750,820 | 16,513 | 93,796 | 84,965 |
| 1 year or less | 117,567 | 280 | 407 | 91 |
| Over 1 year to 5 years | 2,633,253 | 16,233 | 93,389 | 84,874 |
| Over 5 years | - | - | - | - |
| Equity related contracts | - | - | - | - |
| 1 year or less | - | - | - | - |
| Over 1 year to 5 years | - | - | - | - |
| Over 5 years | - | - | - | - |
| OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements | 90,480,014 | 404,163 | 1,558,061 | 422,533 |
| Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of over 1 year | 27,913,401 | | 20,634,841 | 7,051,408 |
| Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of up to 1 year | 2,086,010 | | 435,459 | 96,768 |
| Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness | 15,483,688 | | 672,010 | 183,471 |
| Total | 158,647,308 | 505,416 | 30,584,438 | 10,018,138 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 6b: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 31 December 2018

| RHB Bank Group | Principal / Notional Amount RM'000 | Positive Fair Value of Derivative Contracts RM'000 | Credit Equivalent Amount RM'000 | Risk Weighted Assets RM'000 |
|--|---|--|--|-----------------------------------|
| <u>Nature of Item</u> | | | | |
| Direct credit substitutes | 1,586,463 | | 1,489,145 | 775,702 |
| Transaction related contingent items | 5,189,623 | | 2,525,110 | 1,226,033 |
| Short term self liquidating trade related contingencies | 1,096,963 | | 230,311 | 180,773 |
| Forward asset purchases, forward deposits, partly paid shares and securities which represent commitments with certain drawdowns | 20,361 | | 20,361 | - |
| NIFs and obligations under underwriting agreement | - | | - | - |
| Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions | 3,300,032 | | 3,300,032 | 49,234 |
| Foreign exchange related contracts | 22,037,911 | 157,372 | 481,594 | 136,430 |
| 1 year or less | 21,970,914 | 157,372 | 480,705 | 134,884 |
| Over 1 year to 5 years | 66,997 | - | 889 | 1,546 |
| Over 5 years | - | - | - | - |
| Interest/profit rate related contracts | 1,778,792 | 14,441 | 60,250 | 62,582 |
| 1 year or less | 127,692 | 754 | 1,051 | 871 |
| Over 1 year to 5 years | 1,651,100 | 13,687 | 59,199 | 61,711 |
| Over 5 years | - | - | - | - |
| Equity related contracts | - | - | - | - |
| 1 year or less | - | - | - | - |
| Over 1 year to 5 years | - | - | - | - |
| Over 5 years | - | - | - | - |
| OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements | 93,124,696 | 523,953 | 1,867,856 | 591,282 |
| Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of over 1 year | 27,591,598 | | 19,590,614 | 6,710,059 |
| Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of up to 1 year | 1,903,660 | | 413,373 | 96,732 |
| Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness | 15,311,329 | | 648,880 | 180,963 |
| Total | 172,941,428 | 695,766 | 30,627,526 | 10,009,790 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 7a: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 30 June 2019

| RHB Bank Group Exposure Class | Malaysia | | | | | | | | | Total |
|---|--------------------|-------------------|------------------|----------------|------------------|----------------|----------------|----------------|---------------|--------------------|
| | (include Labuan) | Singapore | Thailand | Brunei | Cambodia | Laos | Hong Kong | Indonesia | Vietnam | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Exposures under Standardised Approach | | | | | | | | | | |
| Sovereigns & Central Banks | 27,000,036 | 3,730,788 | 680,324 | 120,986 | 848,878 | 235,382 | - | - | - | 32,616,394 |
| Public Sector Entities | 11,459,748 | 618,144 | 301,074 | - | - | - | - | - | - | 12,378,966 |
| Banks, Development Financial Institutions & MDBs | 10,818,111 | 4,467,841 | 196,463 | 165,793 | 414,733 | 1,497 | 45,206 | 121,229 | 32,641 | 16,263,514 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 554,264 | 37,763 | - | - | - | - | 10,943 | - | - | 602,970 |
| Corporates | 5,528,693 | 1,780,572 | 1,877,474 | 82,232 | 1,411,608 | 53,277 | 85,439 | 33,551 | - | 10,852,846 |
| Regulatory Retail | 5,370,129 | 1,670,361 | 100,415 | 103,163 | 802,306 | 179,538 | 46,907 | 84,187 | - | 8,357,006 |
| Residential Mortgages | 94,656 | 752,474 | - | - | - | - | - | - | - | 847,130 |
| Higher Risk Assets | 466,366 | - | 269 | - | 103 | - | - | 40 | - | 466,778 |
| Other Assets | 3,434,858 | 435,336 | 140,272 | 50,932 | 58,437 | 12,707 | 53,093 | 133,392 | 302 | 4,319,329 |
| Total Exposures under Standardised Approach | 64,726,861 | 13,493,279 | 3,296,291 | 523,106 | 3,536,065 | 482,401 | 241,588 | 372,399 | 32,943 | 86,704,933 |
| Exposures under IRB Approach | | | | | | | | | | |
| Corporates, of which | 76,232,086 | 8,581,911 | - | - | - | - | - | - | - | 84,813,997 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 42,831,598 | 3,184,554 | - | - | - | - | - | - | - | 46,016,152 |
| Corporate Exposures (with firm size adjustments) | 26,213,699 | 4,052,448 | - | - | - | - | - | - | - | 30,266,147 |
| Specialised Lending Exposures (Slotting Approach) | | | | | | | | | | |
| Project Finance | 2,029,705 | 318,846 | - | - | - | - | - | - | - | 2,348,551 |
| Income Producing Real Estate | 5,157,084 | 1,026,063 | - | - | - | - | - | - | - | 6,183,147 |
| Retail, of which | 108,394,481 | - | - | - | - | - | - | - | - | 108,394,481 |
| Residential Mortgages Exposures | 48,631,138 | - | - | - | - | - | - | - | - | 48,631,138 |
| Qualifying Revolving Retail Exposures | 3,204,915 | - | - | - | - | - | - | - | - | 3,204,915 |
| Hire Purchase Exposures | 8,000,369 | - | - | - | - | - | - | - | - | 8,000,369 |
| Other Retail Exposures | 48,558,059 | - | - | - | - | - | - | - | - | 48,558,059 |
| Total Exposures under IRB Approach | 184,626,567 | 8,581,911 | - | - | - | - | - | - | - | 193,208,478 |
| Total Exposures under Standardised and IRB Approaches | 249,353,428 | 22,075,190 | 3,296,291 | 523,106 | 3,536,065 | 482,401 | 241,588 | 372,399 | 32,943 | 279,913,411 |

Note: This table excludes equity and securitisation exposures

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 7b: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 31 December 2018

| RHB Bank Group Exposure Class | Malaysia | | | | | | | | | Total |
|---|--------------------|-------------------|------------------|----------------|------------------|----------------|----------------|----------------|----------|--------------------|
| | (include Labuan) | Singapore | Thailand | Brunei | Cambodia | Laos | Hong Kong | Indonesia | Vietnam | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Exposures under Standardised Approach | | | | | | | | | | |
| Sovereigns & Central Banks | 22,201,133 | 3,211,371 | 528,329 | 74,017 | 926,402 | 232,657 | - | - | - | 27,173,909 |
| Public Sector Entities | 10,254,742 | 610,139 | 309,713 | - | - | - | - | - | - | 11,174,594 |
| Banks, Development Financial Institutions & MDBs | 12,507,977 | 2,886,402 | 161,906 | 176,835 | 414,800 | 3,860 | 52,287 | 124,720 | - | 16,328,787 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 678,635 | 72,722 | - | - | - | - | 4,809 | - | - | 756,166 |
| Corporates | 6,131,008 | 2,238,336 | 1,824,679 | 82,847 | 1,292,656 | 59,716 | 102,841 | 95,328 | - | 11,827,411 |
| Regulatory Retail | 5,350,027 | 1,648,690 | 103,151 | 105,553 | 830,010 | 182,965 | 71,117 | 58,609 | - | 8,350,122 |
| Residential Mortgages | 99,119 | 827,769 | - | - | - | - | - | - | - | 926,888 |
| Higher Risk Assets | 494,574 | - | 255 | - | 103 | - | - | 39 | - | 494,971 |
| Other Assets | 4,064,298 | 426,272 | 163,920 | 43,955 | 55,124 | 14,475 | 23,468 | 119,015 | - | 4,910,527 |
| Total Exposures under Standardised Approach | 61,781,513 | 11,921,701 | 3,091,953 | 483,207 | 3,519,095 | 493,673 | 254,522 | 397,711 | - | 81,943,375 |
| Exposures under IRB Approach | | | | | | | | | | |
| Corporates, of which | 75,456,803 | 8,278,439 | - | - | - | - | - | - | - | 83,735,242 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 43,064,256 | 3,128,203 | - | - | - | - | - | - | - | 46,192,459 |
| Corporate Exposures (with firm size adjustments) | 25,861,292 | 4,226,181 | - | - | - | - | - | - | - | 30,087,473 |
| Specialised Lending Exposures (Slotting Approach) | | | | | | | | | | |
| Project Finance | 1,815,187 | 548,821 | - | - | - | - | - | - | - | 2,364,008 |
| Income Producing Real Estate | 4,716,068 | 375,234 | - | - | - | - | - | - | - | 5,091,302 |
| Retail, of which | 103,933,102 | - | - | - | - | - | - | - | - | 103,933,102 |
| Residential Mortgages Exposures | 45,960,133 | - | - | - | - | - | - | - | - | 45,960,133 |
| Qualifying Revolving Retail Exposures | 3,227,566 | - | - | - | - | - | - | - | - | 3,227,566 |
| Hire Purchase Exposures | 7,925,684 | - | - | - | - | - | - | - | - | 7,925,684 |
| Other Retail Exposures | 46,819,719 | - | - | - | - | - | - | - | - | 46,819,719 |
| Total Exposures under IRB Approach | 179,389,905 | 8,278,439 | - | - | - | - | - | - | - | 187,668,344 |
| Total Exposures under Standardised and IRB Approaches | 241,171,418 | 20,200,140 | 3,091,953 | 483,207 | 3,519,095 | 493,673 | 254,522 | 397,711 | - | 269,611,719 |

Note: This table excludes equity and securitisation exposures

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 8a: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 30 June 2019

| RHB Bank Group <u>Exposure Class</u> | Agriculture | Mining & Quarrying | Manufacturing | Electricity, Gas & Water Supply | Construction | Wholesale, Retail Trade, Restaurants & Hotels | Transport, Storage & Communication | Finance, Insurance/ Takaful, Real Estate & Business | Education, Health & Others | Household | Others | Total |
|---|------------------|-----------------------|-------------------|---------------------------------------|-------------------|--|--|---|----------------------------------|--------------------|------------------|--------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Exposures under Standardised Approach | | | | | | | | | | | | |
| Sovereigns & Central Banks | - | - | - | - | - | - | - | 15,426,798 | 17,189,596 | - | - | 32,616,394 |
| Public Sector Entities | - | - | - | - | 87,472 | 517 | 136,095 | 2,155,859 | 9,999,023 | - | - | 12,378,966 |
| Banks, Development Financial Institutions & MDBs | - | - | - | - | - | - | - | 16,263,514 | - | - | - | 16,263,514 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | 602,970 | - | - | - | 602,970 |
| Corporates | 61,714 | 36,408 | 696,593 | 12,822 | 390,971 | 652,445 | 178,394 | 6,487,258 | 158,798 | 2,177,443 | - | 10,852,846 |
| Regulatory Retail | 3,811 | 1,902 | 35,632 | 1,019 | 31,959 | 42,462 | 13,352 | 408,224 | 4,475 | 7,814,170 | - | 8,357,006 |
| Residential Mortgages | - | - | - | - | - | - | - | 112 | - | 847,018 | - | 847,130 |
| Higher Risk Assets | - | - | 3 | - | - | - | - | 466,672 | - | - | 103 | 466,778 |
| Other Assets | - | - | - | - | - | - | - | 1,026,655 | - | - | 3,292,674 | 4,319,329 |
| Total Exposures under Standardised Approach | 65,525 | 38,310 | 732,228 | 13,841 | 510,402 | 695,424 | 327,841 | 42,838,062 | 27,351,892 | 10,838,631 | 3,292,777 | 86,704,933 |
| Exposures under IRB Approach | | | | | | | | | | | | |
| Corporates, of which | 3,619,146 | 1,835,179 | 8,194,113 | 5,588,304 | 16,147,532 | 10,619,496 | 10,101,497 | 26,203,429 | 2,505,301 | - | - | 84,813,997 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 1,027,147 | 1,366,560 | 4,313,286 | 3,046,452 | 6,518,718 | 4,612,971 | 7,263,105 | 15,876,379 | 1,991,534 | - | - | 46,016,152 |
| Corporate Exposures (with firm size adjustments) | 2,591,999 | 185,698 | 3,519,618 | 1,833,805 | 5,862,718 | 5,318,060 | 2,687,292 | 7,753,190 | 513,767 | - | - | 30,266,147 |
| Specialised Lending Exposures (Slotting Approach) | | | | | | | | | | | | |
| Project Finance | - | 282,921 | 361,209 | 708,047 | 979,059 | - | - | 17,315 | - | - | - | 2,348,551 |
| Income Producing Real Estate | - | - | - | - | 2,787,037 | 688,465 | 151,100 | 2,556,545 | - | - | - | 6,183,147 |
| Retail, of which | 331,440 | 84,952 | 2,158,174 | 12,050 | 2,080,810 | 5,448,116 | 614,975 | 3,254,497 | 353,623 | 94,055,844 | - | 108,394,481 |
| Residential Mortgages Exposures | - | - | - | - | - | - | - | - | - | 48,631,138 | - | 48,631,138 |
| Qualifying Revolving Retail Exposures | - | - | - | - | - | - | - | - | - | 3,204,915 | - | 3,204,915 |
| Hire Purchase Exposures | - | - | - | - | - | - | - | - | - | 8,000,369 | - | 8,000,369 |
| Other Retail Exposures | 331,440 | 84,952 | 2,158,174 | 12,050 | 2,080,810 | 5,448,116 | 614,975 | 3,254,497 | 353,623 | 34,219,422 | - | 48,558,059 |
| Total Exposures under IRB Approach | 3,950,586 | 1,920,131 | 10,352,287 | 5,600,354 | 18,228,342 | 16,067,612 | 10,716,472 | 29,457,926 | 2,858,924 | 94,055,844 | - | 193,208,478 |
| Total Exposures under Standardised and IRB Approaches | 4,016,111 | 1,958,441 | 11,084,515 | 5,614,195 | 18,738,744 | 16,763,036 | 11,044,313 | 72,295,988 | 30,210,816 | 104,894,475 | 3,292,777 | 279,913,411 |

Note: This table excludes equity and securitisation exposures

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 8b: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 31 December 2018

| RHB Bank Group | Agriculture | | Mining & Quarrying | | Manufacturing | | Electricity, Gas & Water | | Wholesale, Retail Trade, Restaurants & Hotels | | Transport, Storage & Communication | | Finance, Insurance/ Takaful, Real Estate & Business | | Education, Health & Others | | Household | | Others | | Total | | |
|--|------------------|------------------|--------------------|------------------|-------------------|-------------------|--------------------------|-------------------|---|--------------------|------------------------------------|--------------------|---|------------|----------------------------|--------|-----------|--------|--------|--------|--------|------------|--------|
| Exposure Class | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Exposures under Standardised Approach | | | | | | | | | | | | | | | | | | | | | | | |
| Sovereigns & Central Banks | - | - | - | - | - | - | - | - | - | - | - | - | 12,579,758 | 14,594,151 | - | - | - | - | - | - | - | 27,173,909 | |
| Public Sector Entities | - | - | - | - | - | 50,419 | - | - | 116 | - | 128,778 | - | 1,523,942 | 9,471,339 | - | - | - | - | - | - | - | 11,174,594 | |
| Banks, Development Financial Institutions & MDBs | - | - | - | - | - | - | - | - | - | - | - | - | 16,328,787 | - | - | - | - | - | - | - | - | 16,328,787 | |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | - | - | - | - | - | 756,166 | - | - | - | - | - | - | - | - | 756,166 | |
| Corporates | 125,043 | 111,061 | 1,211,406 | 146,866 | 500,903 | 1,040,697 | 426,956 | 5,724,799 | 199,492 | 2,340,188 | - | 11,827,411 | | | | | | | | | | | |
| Regulatory Retail | 8,536 | 9,392 | 129,734 | 568 | 91,636 | 56,592 | 43,440 | 61,139 | 13,012 | 7,936,073 | - | 8,350,122 | | | | | | | | | | | |
| Residential Mortgages | - | - | - | - | - | - | - | - | - | 926,888 | - | 926,888 | | | | | | | | | | | |
| Higher Risk Assets | - | - | 3 | - | - | - | - | 494,864 | - | - | 104 | 494,971 | | | | | | | | | | | |
| Other Assets | - | - | - | - | - | - | - | 283,769 | - | - | 4,626,758 | 4,910,527 | | | | | | | | | | | |
| Total Exposures under Standardised Approach | 133,579 | 120,453 | 1,341,143 | 147,434 | 642,958 | 1,097,405 | 599,174 | 37,753,224 | 24,277,994 | 11,203,149 | 4,626,862 | 81,943,375 | | | | | | | | | | | |
| Exposures under IRB Approach | | | | | | | | | | | | | | | | | | | | | | | |
| Corporates, of which | 4,003,256 | 2,419,760 | 7,639,237 | 6,098,358 | 16,378,971 | 9,835,928 | 9,756,502 | 24,905,213 | 2,698,017 | - | - | 83,735,242 | | | | | | | | | | | |
| Corporate Exposures (excluding exposures with firm size adjustments) | 1,127,417 | 1,941,948 | 3,770,839 | 3,535,451 | 6,791,815 | 4,379,558 | 6,951,469 | 15,760,034 | 1,933,928 | - | - | 46,192,459 | | | | | | | | | | | |
| Corporate Exposures (with firm size adjustments) | 2,875,839 | 168,046 | 3,486,666 | 1,834,674 | 6,055,845 | 5,094,950 | 2,805,033 | 7,002,331 | 764,089 | - | - | 30,087,473 | | | | | | | | | | | |
| Specialised Lending Exposures (Slotting Approach) | - | - | - | - | - | - | - | - | - | - | - | - | | | | | | | | | | | |
| Project Finance | - | 309,766 | 381,732 | 728,233 | 944,277 | - | - | - | - | - | - | 2,364,008 | | | | | | | | | | | |
| Income Producing Real Estate | - | - | - | - | 2,587,034 | 361,420 | - | 2,142,848 | - | - | - | 5,091,302 | | | | | | | | | | | |
| Retail, of which | 313,403 | 51,423 | 1,915,427 | 8,676 | 1,906,856 | 5,236,614 | 464,858 | 3,129,633 | 366,960 | 90,539,252 | - | 103,933,102 | | | | | | | | | | | |
| Residential Mortgages Exposures | - | - | - | - | - | - | - | - | - | 45,960,133 | - | 45,960,133 | | | | | | | | | | | |
| Qualifying Revolving Retail Exposures | - | - | - | - | - | - | - | - | - | 3,227,566 | - | 3,227,566 | | | | | | | | | | | |
| Hire Purchase Exposures | - | - | - | - | - | - | - | - | - | 7,925,684 | - | 7,925,684 | | | | | | | | | | | |
| Other Retail Exposures | 313,403 | 51,423 | 1,915,427 | 8,676 | 1,906,856 | 5,236,614 | 464,858 | 3,129,633 | 366,960 | 33,425,869 | - | 46,819,719 | | | | | | | | | | | |
| Total Exposures under IRB Approach | 4,316,659 | 2,471,183 | 9,554,664 | 6,107,034 | 18,285,827 | 15,072,542 | 10,221,360 | 28,034,846 | 3,064,977 | 90,539,252 | - | 187,668,344 | | | | | | | | | | | |
| Total Exposures under Standardised and IRB Approaches | 4,450,238 | 2,591,636 | 10,895,807 | 6,254,468 | 18,928,785 | 16,169,947 | 10,820,534 | 65,788,070 | 27,342,971 | 101,742,401 | 4,626,862 | 269,611,719 | | | | | | | | | | | |

Note: This table excludes equity and securitisation exposures

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 9a: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 30 June 2019

| RHB Bank Group | One year or less | More than one to five years | Over five years | Total |
|--|---------------------|-----------------------------------|--------------------|--------------------|
| <u>Exposure Class</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| <u>Exposures under Standardised Approach</u> | | | | |
| Sovereigns & Central Banks | 12,254,960 | 5,156,576 | 15,204,858 | 32,616,394 |
| Public Sector Entities | 666,905 | 6,090,421 | 5,621,640 | 12,378,966 |
| Banks, Development Financial Institutions & MDBs | 10,897,657 | 4,133,407 | 1,232,450 | 16,263,514 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 210,504 | 310,402 | 82,064 | 602,970 |
| Corporates | 5,194,288 | 3,687,018 | 1,971,540 | 10,852,846 |
| Regulatory Retail | 1,736,650 | 1,866,221 | 4,754,135 | 8,357,006 |
| Residential Mortgages | 972 | 21,143 | 825,015 | 847,130 |
| Higher Risk Assets | 373 | - | 466,405 | 466,778 |
| Other Assets | - | - | 4,319,329 | 4,319,329 |
| Total Exposures under Standardised Approach | 30,962,309 | 21,265,188 | 34,477,436 | 86,704,933 |
| <u>Exposures under IRB Approach</u> | | | | |
| Corporates, of which | 27,477,095 | 30,671,867 | 26,665,035 | 84,813,997 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 14,007,215 | 19,286,178 | 12,722,759 | 46,016,152 |
| Corporate Exposures (with firm size adjustments) | 10,889,132 | 8,615,076 | 10,761,939 | 30,266,147 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,073,047 | 584,919 | 690,585 | 2,348,551 |
| Income Producing Real Estate | 1,507,701 | 2,185,694 | 2,489,752 | 6,183,147 |
| Retail, of which | 1,842,366 | 15,995,293 | 90,556,822 | 108,394,481 |
| Residential Mortgages Exposures | 35,788 | 351,393 | 48,243,957 | 48,631,138 |
| Qualifying Revolving Retail Exposures | 129,142 | 3,063,966 | 11,807 | 3,204,915 |
| Hire Purchase Exposures | 161,446 | 2,801,266 | 5,037,657 | 8,000,369 |
| Other Retail Exposures | 1,515,990 | 9,778,668 | 37,263,401 | 48,558,059 |
| Total Exposures under IRB Approach | 29,319,461 | 46,667,160 | 117,221,857 | 193,208,478 |
| Total Exposures under Standardised and IRB Approaches | 60,281,770 | 67,932,348 | 151,699,293 | 279,913,411 |

Note: This table excludes equity and securitisation exposures

Table 9b: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 31 December 2018

| RHB Bank Group | One year or less | More than one to five years | Over five years | Total |
|--|---------------------|-----------------------------------|--------------------|--------------------|
| <u>Exposure Class</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| <u>Exposures under Standardised Approach</u> | | | | |
| Sovereigns & Central Banks | 9,142,970 | 7,126,740 | 10,904,199 | 27,173,909 |
| Public Sector Entities | 757,375 | 5,740,375 | 4,676,844 | 11,174,594 |
| Banks, Development Financial Institutions & MDBs | 10,769,010 | 4,107,992 | 1,451,785 | 16,328,787 |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 15,617 | 261,314 | 479,235 | 756,166 |
| Corporates | 5,720,039 | 4,331,718 | 1,775,654 | 11,827,411 |
| Regulatory Retail | 2,461,791 | 1,200,628 | 4,687,703 | 8,350,122 |
| Residential Mortgages | 1,248 | 20,469 | 905,171 | 926,888 |
| Higher Risk Assets | 358 | - | 494,613 | 494,971 |
| Other Assets | - | - | 4,910,527 | 4,910,527 |
| Total Exposures under Standardised Approach | 28,868,408 | 22,789,236 | 30,285,731 | 81,943,375 |
| <u>Exposures under IRB Approach</u> | | | | |
| Corporates, of which | 32,025,471 | 24,946,708 | 26,763,063 | 83,735,242 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 16,292,701 | 16,181,951 | 13,717,807 | 46,192,459 |
| Corporate Exposures (with firm size adjustments) | 13,140,730 | 6,761,105 | 10,185,638 | 30,087,473 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,120,736 | 505,552 | 737,720 | 2,364,008 |
| Income Producing Real Estate | 1,471,304 | 1,498,100 | 2,121,898 | 5,091,302 |
| Retail, of which | 6,578,696 | 11,106,436 | 86,247,970 | 103,933,102 |
| Residential Mortgages Exposures | 32,110 | 351,127 | 45,576,896 | 45,960,133 |
| Qualifying Revolving Retail Exposures | 154,835 | 3,072,710 | 21 | 3,227,566 |
| Hire Purchase Exposures | 143,274 | 3,174,505 | 4,607,905 | 7,925,684 |
| Other Retail Exposures | 6,248,477 | 4,508,094 | 36,063,148 | 46,819,719 |
| Total Exposures under IRB Approach | 38,604,167 | 36,053,144 | 113,011,033 | 187,668,344 |
| Total Exposures under Standardised and IRB Approaches | 67,472,575 | 58,842,380 | 143,296,764 | 269,611,719 |

Note: This table excludes equity and securitisation exposures

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 10a: Portfolios under the Standardised Approach by Risk Weights as at 30 June 2019

RHB Bank Group

| Exposure Class | Sovereigns & Central Banks | Public Sector Entities | Banks, Development Financial Institutions & MDBs | Insurance/ Takaful Cos, Securities Firms & Fund Managers | Corporates | Regulatory Retail | Residential Mortgages | Higher Risk Assets | Other Assets | Equity Exposures | Total Exposures after Credit Risk Mitigation | Total Risk Weighted Assets |
|-------------------------------------|----------------------------------|------------------------------|--|--|------------------|----------------------|--------------------------|-----------------------|------------------|---------------------|--|----------------------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Supervisory Risk Weights (%) | | | | | | | | | | | | |
| 0% | 31,004,882 | 10,758,482 | 293,612 | - | 804,747 | - | - | - | 1,477,641 | - | 44,339,364 | - |
| 20% | 432,016 | 1,246,844 | 9,430,792 | 30,406 | 1,110,578 | - | - | - | 203,345 | - | 12,453,981 | 2,490,796 |
| 35% | - | - | - | - | - | - | 777,676 | - | - | - | 777,676 | 272,187 |
| 50% | 44,920 | 301,074 | 4,825,651 | 18,749 | 166,440 | 9,439 | 27,158 | - | - | - | 5,393,431 | 2,696,715 |
| 75% | - | - | - | - | - | 3,441,076 | - | - | - | - | 3,441,076 | 2,580,807 |
| 100% | 1,134,576 | - | 910,040 | 553,302 | 6,226,637 | 3,725,487 | 34,763 | - | 2,638,343 | 866,980 | 16,090,128 | 16,090,128 |
| 150% | - | - | - | - | 92,464 | 50,919 | - | 466,778 | - | - | 610,161 | 915,242 |
| Total Exposures | 32,616,394 | 12,306,400 | 15,460,095 | 602,457 | 8,400,866 | 7,226,921 | 839,597 | 466,778 | 4,319,329 | 866,980 | 83,105,817 | 25,045,875 |

Table 10b: Portfolios under the Standardised Approach by Risk Weights as at 31 December 2018

RHB Bank Group

| Exposure Class | Sovereigns & Central Banks | Public Sector Entities | Banks, Development Financial Institutions & MDBs | Insurance/ Takaful Cos, Securities Firms & Fund Managers | Corporates | Regulatory Retail | Residential Mortgages | Higher Risk Assets | Other Assets | Equity Exposures | Total Exposures after Credit Risk Mitigation | Total Risk Weighted Assets |
|-------------------------------------|----------------------------------|------------------------------|--|--|------------------|----------------------|--------------------------|-----------------------|------------------|---------------------|--|----------------------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Supervisory Risk Weights (%) | | | | | | | | | | | | |
| 0% | 25,310,390 | 9,739,873 | 126,729 | - | 789,372 | - | - | - | 1,751,513 | - | 37,717,877 | - |
| 20% | 683,207 | 1,124,643 | 9,437,657 | 35,617 | 1,543,840 | - | - | - | 283,669 | - | 13,108,633 | 2,621,727 |
| 35% | - | - | - | - | - | - | 854,479 | - | - | - | 854,479 | 299,068 |
| 50% | 20,633 | 309,713 | 4,846,107 | 86,956 | 181,668 | 10,969 | 32,543 | - | - | - | 5,488,589 | 2,744,294 |
| 75% | - | - | - | - | - | 3,734,819 | - | - | - | - | 3,734,819 | 2,801,114 |
| 100% | 1,159,679 | - | 565,488 | 633,081 | 6,963,627 | 3,495,182 | 31,390 | - | 2,875,345 | 842,708 | 16,566,500 | 16,566,500 |
| 150% | - | - | - | - | 70,455 | 32,539 | - | 494,971 | - | - | 597,965 | 896,948 |
| Total Exposures | 27,173,909 | 11,174,229 | 14,975,981 | 755,654 | 9,548,962 | 7,273,509 | 918,412 | 494,971 | 4,910,527 | 842,708 | 78,068,862 | 25,929,651 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 11a: Rated Exposures According to Ratings by External Credit Assessment Institutions (ECAIs) as at 30 June 2019

RHB Bank Group

| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B1 to C | Unrated | |
|---|---------|------------|------------|--------------|-----------|------------|-----------|
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | RAM | AAA to AA3 | A1 to A3 | BBB1 to BB3 | B to D | Unrated | |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B1 to D | Unrated | |
| <u>Exposure Class</u> | R&I | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Public Sector Entities | | 773,975 | - | - | - | 11,532,425 | |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | | 30,406 | 18,749 | 22,877 | - | 530,425 | |
| Corporates | | 1,093,945 | 111,010 | 138,523 | - | 7,057,388 | |
| | Moody's | P-1 | P-2 | P-3 | Others | Unrated | |
| | S&P | A-1 | A-2 | A-3 | Others | Unrated | |
| | Fitch | F1+, F1 | F2 | F3 | B to D | Unrated | |
| | RAM | P-1 | P-2 | P-3 | NP | Unrated | |
| | MARC | MARC-1 | MARC-2 | MARC-3 | MARC-4 | Unrated | |
| | R&I | a-1+, a-1 | a-2 | a-3 | b, c | Unrated | |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| <u>On & Off Balance Sheet Exposures</u> | | | | | | | |
| Banks, Development Financial Institutions & MDBs | | - | - | - | - | - | |
| Corporates | | - | - | - | - | - | |
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | R&I | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to C | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Sovereigns & Central Banks | | 3,360,486 | 27,344,568 | 724,819 | 848,878 | - | 337,643 |
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | RAM | AAA to AA3 | A1 to A3 | BBB1 to BBB3 | BB1 to B3 | C1 to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | C+ to D | Unrated |
| | R&I | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to C | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Banks, Development Financial Institutions & MDBs | | 5,546,801 | 4,939,841 | 2,256,190 | 367,837 | - | 2,349,426 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 11b: Rated Exposures According to Ratings by External Credit Assessment Institutions (ECAIs) as at 31 December 2018

RHB Bank Group

| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B1 to C | Unrated | |
|---|---------|------------|------------|--------------|-----------|------------|-----------|
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | RAM | AAA to AA3 | A1 to A3 | BBB1 to BB3 | B to D | Unrated | |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B1 to D | Unrated | |
| <u>Exposure Class</u> | R&I | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated | |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Public Sector Entities | | 778,583 | - | - | - | 10,395,646 | |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | | 35,617 | 86,956 | 88,402 | - | 544,679 | |
| Corporates | | 1,177,796 | 125,430 | 151,168 | - | 7,743,241 | |
| | Moody's | P-1 | P-2 | P-3 | Others | Unrated | |
| | S&P | A-1 | A-2 | A-3 | Others | Unrated | |
| | Fitch | F1+, F1 | F2 | F3 | B to D | Unrated | |
| | RAM | P-1 | P-2 | P-3 | NP | Unrated | |
| | MARC | MARC-1 | MARC-2 | MARC-3 | MARC-4 | Unrated | |
| | R&I | a-1+, a-1 | a-2 | a-3 | b, c | Unrated | |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| <u>On & Off Balance Sheet Exposures</u> | | | | | | | |
| Banks, Development Financial Institutions & MDBs | | - | - | - | - | - | |
| Corporates | | 351,327 | - | - | - | - | |
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | R&I | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to C | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Sovereigns & Central Banks | | 2,882,146 | 22,527,294 | 548,705 | 922,289 | - | 293,475 |
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | RAM | AAA to AA3 | A1 to A3 | BBB1 to BBB3 | BB1 to B3 | C1 to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | C+ to D | Unrated |
| | R&I | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to C | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>On and Off Balance Sheet Exposures</u> | | | | | | | |
| Banks, Development Financial Institutions & MDBs | | 5,258,473 | 3,828,322 | 2,185,751 | 156,579 | - | 3,546,856 |

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 12a: Exposures Subject to the Supervisory Risk Weights under the IRB Approach as at 30 June 2019

Disclosure on Specialised Lending Exposures under the Supervisory Slotting Criteria

RHB Bank Group

| <u>Supervisory Categories / Risk Weights</u> | Exposure After Credit Risk Mitigation | | | | | Total RM'000 |
|---|---------------------------------------|------------------|------------------------|----------------|-------------------|------------------|
| | Strong RM'000 | Good RM'000 | Satisfactory RM'000 | Weak RM'000 | Default RM'000 | |
| Specialised Lending Exposures | | | | | | |
| Project Finance | - | 1,339,782 | 703,391 | - | 35,925 | 2,079,098 |
| Income Producing Real Estate | 2,028,392 | 2,444,511 | 229,245 | 29,688 | 36,411 | 4,768,247 |
| Total Exposures after Credit Risk Mitigation | 2,028,392 | 3,784,293 | 932,636 | 29,688 | 72,336 | 6,847,345 |
| Total Risk Weighted Assets | 1,084,468 | 3,002,935 | 1,072,531 | 74,220 | - | 5,234,154 |

Table 12b: Exposures Subject to the Supervisory Risk Weights under the IRB Approach as at 31 December 2018

Disclosure on Specialised Lending Exposures under the Supervisory Slotting Criteria

RHB Bank Group

| <u>Supervisory Categories / Risk Weights</u> | Exposure After Credit Risk Mitigation | | | | | Total RM'000 |
|---|---------------------------------------|------------------|------------------------|----------------|-------------------|------------------|
| | Strong RM'000 | Good RM'000 | Satisfactory RM'000 | Weak RM'000 | Default RM'000 | |
| Specialised Lending Exposures | | | | | | |
| Project Finance | 863,017 | 436,178 | 676,745 | - | - | 1,975,940 |
| Income Producing Real Estate | 2,539,085 | 972,702 | 146,392 | 27,129 | - | 3,685,308 |
| Total Exposures after Credit Risk Mitigation | 3,402,102 | 1,408,880 | 823,137 | 27,129 | - | 5,661,248 |
| Total Risk Weighted Assets | 2,110,657 | 1,267,992 | 946,608 | 67,822 | - | 4,393,079 |

Table 13a: Exposures under the IRB Approach by PD Band, Exposure Weighted Average Loss Given Default (LGD) and Exposure Weighted Average Risk Weight as at 30 June 2019

| RHB Bank Group | Exposure At Default After Credit Risk Mitigation | Exposure Weighted Average LGD | Exposure Weighted Average Risk Weight | Undrawn Commitments |
|---|---|-------------------------------------|--|------------------------|
| <u>Probability of Default (PD) Range</u> | RM'000 | % | % | RM'000 |
| <u>Non Retail Exposures</u> | | | | |
| Corporate Exposures (excluding exposures with firm size adjustments) | | | | |
| 0 to 1 | 29,931,815 | 40.59 | 46.13 | 7,117,837 |
| >1 to 4 | 3,606,830 | 41.52 | 106.02 | 1,385,837 |
| >4 to 12 | 11,976,504 | 10.70 | 43.06 | 2,972,290 |
| >12 to <100 | 826,673 | 11.11 | 56.88 | 127,900 |
| Default or 100 | 1,358,683 | 42.51 | 5.12 | - |
| Total for Corporate Exposures (excluding exposures with firm size adjustments) | 47,700,505 | | | 11,603,864 |
| Corporate Exposures (with firm size adjustments) | | | | |
| 0 to 1 | 15,630,150 | 37.48 | 42.91 | 4,916,928 |
| >1 to 4 | 9,427,680 | 37.26 | 78.81 | 2,163,848 |
| >4 to 12 | 2,739,152 | 34.47 | 102.65 | 960,522 |
| >12 to <100 | 1,698,241 | 10.16 | 44.83 | 131,920 |
| Default or 100 | 770,924 | 38.85 | 5.73 | - |
| Total for Corporate Exposures (with firm size adjustments) | 30,266,147 | | | 8,173,218 |
| Total Non Retail Exposures | 77,966,652 | | | 19,777,082 |
| <u>Retail Exposures</u> | | | | |
| Residential Mortgages Exposures | | | | |
| 0 to 3 | 43,337,519 | 16.51 | 18.36 | 1,639,630 |
| >3 to 10 | 2,929,904 | 16.72 | 52.01 | 56,393 |
| >10 to 20 | 489,081 | 16.31 | 80.91 | 7,517 |
| >20 to <100 | 1,177,714 | 16.47 | 86.02 | 1,717 |
| Default or 100 | 696,920 | 16.40 | 28.84 | 17,967 |
| Total for Residential Mortgages Exposures | 48,631,138 | | | 1,723,224 |
| Qualifying Revolving Retail Exposures | | | | |
| 0 to 3 | 1,488,487 | 58.27 | 28.26 | 3,324,962 |
| >3 to 10 | 1,157,273 | 57.92 | 75.47 | 559,162 |
| >10 to 20 | 282,156 | 56.48 | 118.52 | 74,221 |
| >20 to <100 | 215,160 | 53.78 | 150.64 | 73,220 |
| Default or 100 | 61,839 | 54.32 | 104.58 | - |
| Total for Qualifying Revolving Retail Exposures | 3,204,915 | | | 4,031,565 |
| Hire Purchase Exposures | | | | |
| 0 to 3 | 7,492,216 | 43.97 | 31.87 | - |
| >3 to 10 | 127,458 | 46.97 | 69.42 | - |
| >10 to 20 | 257,539 | 45.46 | 86.64 | - |
| >20 to <100 | 57,407 | 46.12 | 120.23 | - |
| Default or 100 | 65,749 | 46.51 | 0.14 | - |
| Total Hire Purchase Exposures | 8,000,369 | | | - |
| Other Retail Exposures | | | | |
| 0 to 3 | 33,918,099 | 20.77 | 19.10 | 11,420,861 |
| >3 to 10 | 11,175,518 | 21.46 | 32.01 | 322,892 |
| >10 to 20 | 1,184,707 | 27.46 | 57.29 | 35,541 |
| >20 to <100 | 1,324,769 | 25.98 | 59.95 | 32,111 |
| Default or 100 | 954,966 | 33.93 | 18.20 | 17,170 |
| Total Other Retail Exposures | 48,558,059 | | | 11,828,575 |
| Total Retail Exposures | 108,394,481 | | | 17,583,364 |
| Total Non Retail & Retail Exposures under IRB Approach | 186,361,133 | | | 37,360,446 |

Table 13b: Exposures under the IRB Approach by PD Band, Exposure Weighted Average Loss Given Default (LGD) and Exposure Weighted Average Risk Weight as at 31 December 2018

| RHB Bank Group | Exposure At Default After Credit Risk Mitigation | Exposure Weighted Average LGD | Exposure Weighted Average Risk Weight | Undrawn Commitments |
|---|---|-------------------------------------|--|------------------------|
| <u>Probability of Default (PD) Range</u> | RM'000 | % | % | RM'000 |
| <u>Non Retail Exposures</u> | | | | |
| Corporate Exposures (excluding exposures with firm size adjustments) | | | | |
| 0 to 1 | 29,221,505 | 40.47 | 45.10 | 5,913,033 |
| >1 to 4 | 5,430,509 | 39.62 | 101.14 | 1,724,106 |
| >4 to 12 | 11,070,904 | 14.47 | 60.17 | 3,036,805 |
| >12 to <100 | 718,458 | 11.32 | 60.12 | 173,948 |
| Default or 100 | 1,545,145 | 42.62 | 5.36 | - |
| Total for Corporate Exposures (excluding exposures with firm size adjustments) | 47,986,521 | | | 10,847,892 |
| Corporate Exposures (with firm size adjustments) | | | | |
| 0 to 1 | 15,634,827 | 37.32 | 42.02 | 4,732,878 |
| >1 to 4 | 9,146,535 | 38.58 | 82.23 | 2,230,165 |
| >4 to 12 | 2,929,951 | 32.13 | 94.11 | 844,935 |
| >12 to <100 | 1,676,226 | 9.94 | 42.35 | 107,312 |
| Default or 100 | 699,934 | 38.87 | 0.22 | - |
| Total for Corporate Exposures (with firm size adjustments) | 30,087,473 | | | 7,915,290 |
| Total Non Retail Exposures | 78,073,994 | | | 18,763,182 |
| <u>Retail Exposures</u> | | | | |
| Residential Mortgages Exposures | | | | |
| 0 to 3 | 41,155,847 | 16.47 | 18.38 | 1,416,058 |
| >3 to 10 | 2,507,832 | 16.64 | 52.87 | 62,186 |
| >10 to 20 | 513,822 | 16.35 | 81.14 | 7,482 |
| >20 to <100 | 1,120,967 | 16.42 | 86.25 | 2,679 |
| Default or 100 | 661,665 | 16.45 | 21.11 | 8,798 |
| Total for Residential Mortgages Exposures | 45,960,133 | | | 1,497,203 |
| Qualifying Revolving Retail Exposures | | | | |
| 0 to 3 | 1,542,529 | 58.19 | 28.08 | 3,897,842 |
| >3 to 10 | 1,149,279 | 57.79 | 75.08 | 666,359 |
| >10 to 20 | 278,677 | 56.72 | 118.25 | 108,401 |
| >20 to <100 | 196,910 | 53.85 | 148.54 | 84,193 |
| Default or 100 | 60,171 | 54.66 | 116.49 | - |
| Total for Qualifying Revolving Retail Exposures | 3,227,566 | | | 4,756,795 |
| Hire Purchase Exposures | | | | |
| 0 to 3 | 7,375,614 | 43.75 | 32.10 | - |
| >3 to 10 | 158,486 | 46.62 | 68.90 | - |
| >10 to 20 | 247,025 | 45.29 | 86.59 | - |
| >20 to <100 | 61,571 | 45.99 | 119.03 | - |
| Default or 100 | 82,988 | 46.37 | 0.17 | - |
| Total Hire Purchase Exposures | 7,925,684 | | | - |
| Other Retail Exposures | | | | |
| 0 to 3 | 32,222,861 | 20.79 | 19.27 | 10,936,109 |
| >3 to 10 | 11,246,463 | 22.25 | 33.25 | 368,887 |
| >10 to 20 | 1,207,610 | 28.46 | 59.22 | 63,569 |
| >20 to <100 | 1,245,567 | 24.10 | 54.52 | 26,833 |
| Default or 100 | 897,218 | 34.20 | 21.95 | 11,970 |
| Total Other Retail Exposures | 46,819,719 | | | 11,407,368 |
| Total Retail Exposures | 103,933,102 | | | 17,661,366 |
| Total Non Retail & Retail Exposures under IRB Approach | 182,007,096 | | | 36,424,548 |

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Table 14a: Exposures under the A-IRB Approach by EL Range and Exposure Weighted Average Risk Weight as at 30 June 2019

| RHB Bank Group | Exposure At Default After Credit Risk Mitigation RM'000 | Exposure Weighted Average Risk Weight % | Undrawn Commitments RM'000 |
|--|---|---|----------------------------------|
| <u>Expected Losses (EL) Range</u> | | | |
| <u>Retail Exposures</u> | | | |
| Residential Mortgages Exposures | | | |
| 0 to 1 | 45,766,594 | 19.89 | 1,682,868 |
| >1 to 10 | 2,147,535 | 86.40 | 36,810 |
| >10 to <100 | 635,440 | 21.32 | 2,401 |
| 100 | 81,569 | 0.00 | 1,145 |
| Total Residential Mortgages Exposures | 48,631,138 | | 1,723,224 |
| Qualifying Revolving Retail Exposures | | | |
| 0 to 1 | 1,147,768 | 24.05 | 2,790,506 |
| >1 to 10 | 1,759,579 | 75.37 | 1,167,826 |
| >10 to <100 | 297,568 | 139.50 | 73,233 |
| 100 | - | 0.00 | - |
| Total Qualifying Revolving Retail Exposures | 3,204,915 | | 4,031,565 |
| Hire Purchase Exposures | | | |
| 0 to 1 | 7,224,729 | 30.71 | - |
| >1 to 10 | 658,866 | 73.96 | - |
| >10 to <100 | 98,862 | 62.97 | - |
| 100 | 17,912 | 0.00 | - |
| Total Hire Purchase Exposures | 8,000,369 | | - |
| Other Retail Exposures | | | |
| 0 to 1 | 41,775,696 | 16.76 | 11,629,121 |
| >1 to 10 | 5,310,556 | 73.81 | 176,863 |
| >10 to <100 | 1,298,178 | 60.06 | 21,894 |
| 100 | 173,629 | 0.00 | 697 |
| Total Other Retail Exposures | 48,558,059 | | 11,828,575 |
| Total Retail Exposures | 108,394,481 | | 17,583,364 |

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Table 14b: Exposures under the A-IRB Approach by EL Range and Exposure Weighted Average Risk Weight as at 31 December 2018

| RHB Bank Group | Exposure At Default After Credit Risk Mitigation RM'000 | Exposure Weighted Average Risk Weight % | Undrawn Commitments RM'000 |
|--|---|---|----------------------------------|
| <u>Expected Losses (EL) Range</u> | | | |
| <u>Retail Exposures</u> | | | |
| Residential Mortgages Exposures | | | |
| 0 to 1 | 43,171,059 | 19.70 | 1,456,399 |
| >1 to 10 | 2,078,268 | 85.87 | 38,634 |
| >10 to <100 | 639,235 | 19.50 | 1,083 |
| 100 | 71,571 | 0.00 | 1,087 |
| Total Residential Mortgages Exposures | 45,960,133 | | 1,497,203 |
| Qualifying Revolving Retail Exposures | | | |
| 0 to 1 | 1,193,315 | 23.74 | 3,280,110 |
| >1 to 10 | 1,759,543 | 74.93 | 1,390,505 |
| >10 to <100 | 274,708 | 140.67 | 86,180 |
| 100 | - | 0.00 | - |
| Total Qualifying Revolving Retail Exposures | 3,227,566 | | 4,756,795 |
| Hire Purchase Exposures | | | |
| 0 to 1 | 7,131,763 | 31.06 | - |
| >1 to 10 | 658,832 | 73.70 | - |
| >10 to <100 | 115,778 | 54.74 | - |
| 100 | 19,311 | 0.00 | - |
| Total Hire Purchase Exposures | 7,925,684 | | - |
| Other Retail Exposures | | | |
| 0 to 1 | 39,829,312 | 16.70 | 11,156,186 |
| >1 to 10 | 5,634,876 | 73.75 | 233,566 |
| >10 to <100 | 1,200,238 | 61.03 | 17,268 |
| 100 | 155,293 | 0.00 | 348 |
| Total Other Retail Exposures | 46,819,719 | | 11,407,368 |
| Total Retail Exposures | 103,933,102 | | 17,661,366 |

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Table 15: Exposures under IRB Approach by Actual Losses versus Expected Losses

| RHB Bank Group | Actual Losses as at 30.06.2019 RM'000 | Expected Losses as at 30.06.2018 RM'000 | Actual Losses as at 30.06.2018 RM'000 | Expected Losses as at 30.06.2017 RM'000 |
|--|--|--|--|--|
| <u>Exposure Class</u> | | | | |
| Corporates, of which | | | | |
| Corporate Exposures (excluding exposures with firm size adjustments) | 82,310 | 248,649 | 4 | 106,839 |
| Corporate Exposures (with firm size adjustments) | 87,551 | 219,810 | 30,497 | 176,451 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| - Project Finance | - | 18,188 | - | - |
| - Income Producing Real Estate | - | 14,149 | - | - |
| Retail, of which | | | | |
| Residential Mortgages Exposures | 72,147 | 160,972 | 9,545 | 215,296 |
| Qualifying Revolving Retail Exposures | 62,741 | 104,069 | 59,090 | 127,908 |
| Hire Purchase Exposures | 29,213 | 57,482 | 31,211 | 97,398 |
| Other Retail Exposures | 323,538 | 365,306 | 201,301 | 505,916 |
| Total | 657,500 | 1,188,625 | 331,648 | 1,229,808 |

Note :

Actual losses are derived from impairment allowances and write-offs during the year, while expected losses (EL) measures the loss expected from the Group's credit exposures as at 30 June of the preceding year.

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Table 16a: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 30 June 2019

| RHB Bank Group | Gross Exposures Before Credit Risk Mitigation RM'000 | Gross Exposures Covered by Guarantees / Credit Derivatives RM'000 | Gross Exposures Covered by Eligible Financial Collateral RM'000 |
|---|--|--|--|
| <u>Exposure Class</u> | | | |
| <u>On Balance Sheet Exposures</u> | | | |
| Sovereigns & Central Banks | 30,396,314 | - | - |
| Public Sector Entities | 11,393,200 | 10,150,595 | 7,531 |
| Banks, Development Financial Institutions & MDBs | 13,401,929 | 293,611 | - |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 542,431 | - | - |
| Corporates | 9,129,840 | 805,628 | 2,003,753 |
| Regulatory Retail | 7,485,047 | - | 838,033 |
| Residential Mortgages | 800,764 | - | 7,230 |
| Higher Risk Assets | 466,778 | - | - |
| Other Assets | 4,319,329 | - | - |
| Securitisation Exposures | - | - | - |
| Equity Exposures | 866,980 | - | - |
| Defaulted Exposures | 340,566 | 199 | 1,313 |
| Total On Balance Sheet Exposures | 79,143,178 | 11,250,033 | 2,857,860 |
| <u>Off Balance Sheet Exposures</u> | | | |
| OTC Derivatives | 1,605,463 | - | 763 |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 6,807,630 | 608,138 | 1,607,396 |
| Defaulted Exposures | 15,642 | 15,551 | 78 |
| Total Off Balance Sheet Exposures | 8,428,735 | 623,689 | 1,608,237 |
| Total On and Off Balance Sheet Exposures | 87,571,913 | 11,873,722 | 4,466,097 |

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Table 16b: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 31 December 2018

| RHB Bank Group | Gross Exposures Before Credit Risk Mitigation RM'000 | Gross Exposures Covered by Guarantees / Credit Derivatives RM'000 | Gross Exposures Covered by Eligible Financial Collateral RM'000 |
|---|--|--|--|
| <u>Exposure Class</u> | | | |
| <u>On Balance Sheet Exposures</u> | | | |
| Sovereigns & Central Banks | 24,937,661 | - | - |
| Public Sector Entities | 10,484,752 | 9,239,873 | - |
| Banks, Development Financial Institutions & MDBs | 12,361,561 | 126,729 | - |
| Insurance/Takaful Cos, Securities Firms & Fund Managers | 713,073 | - | - |
| Corporates | 10,287,093 | 789,372 | 1,866,081 |
| Regulatory Retail | 7,491,910 | - | 796,859 |
| Residential Mortgages | 888,628 | - | 8,190 |
| Higher Risk Assets | 494,971 | - | - |
| Other Assets | 4,910,527 | - | - |
| Securitisation Exposures | - | - | - |
| Equity Exposures | 842,708 | - | - |
| Defaulted Exposures | 317,294 | - | 4,823 |
| Total On Balance Sheet Exposures | 73,730,178 | 10,155,974 | 2,675,953 |
| <u>Off Balance Sheet Exposures</u> | | | |
| OTC Derivatives | 2,125,433 | - | - |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 6,904,271 | 500,000 | 2,041,195 |
| Defaulted Exposures | 26,201 | 14,717 | 73 |
| Total Off Balance Sheet Exposures | 9,055,905 | 514,717 | 2,041,268 |
| Total On and Off Balance Sheet Exposures | 82,786,083 | 10,670,691 | 4,717,221 |

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Table 17a: Credit Risk Mitigation of Portfolios under the IRB Approach as at 30 June 2019

| RHB Bank Group | Gross Exposures Before Credit Risk Mitigation RM'000 | Gross Exposures Covered by Guarantees / Credit Derivatives RM'000 | Gross Exposures Covered by Eligible Financial Collateral RM'000 | Gross Exposures Covered by Other Eligible Collateral RM'000 |
|--|--|--|--|--|
| <u>Exposure Class</u> | | | | |
| <u>On Balance Sheet Exposures</u> | | | | |
| Corporates, of which | 73,916,665 | 20,530,538 | 3,411,397 | 12,640,940 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 40,393,507 | 13,713,967 | 1,453,914 | 2,344,012 |
| Corporate Exposures (with firm size adjustments) | 26,351,862 | 5,345,809 | 1,957,483 | 10,296,928 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,902,359 | 236,667 | - | - |
| Income Producing Real Estate | 5,268,937 | 1,234,095 | - | - |
| Retail, of which | 93,219,009 | 32,654 | 8,428,676 | 62,047,710 |
| Residential Mortgages Exposures | 46,228,961 | - | - | 46,037,685 |
| Qualifying Revolving Retail Exposures | 2,005,240 | - | - | - |
| Hire Purchase Exposures | 7,934,620 | - | - | - |
| Other Retail Exposures | 37,050,188 | 32,654 | 8,428,676 | 16,010,025 |
| Defaulted Exposures | 3,917,101 | 247,258 | 21,294 | 1,511,427 |
| Total On Balance Sheet Exposures | 171,052,775 | 20,810,450 | 11,861,367 | 76,200,077 |
| <u>Off Balance Sheet Exposures</u> | | | | |
| OTC Derivatives | 247,974 | 59,529 | 375 | - |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 21,843,413 | 1,483,348 | 806,941 | 10,974,361 |
| Defaulted Exposures | 64,316 | 1,703 | 1,298 | 33,838 |
| Total Off Balance Sheet Exposures | 22,155,703 | 1,544,580 | 808,614 | 11,008,199 |
| Total On and Off Balance Sheet Exposures | 193,208,478 | 22,355,030 | 12,669,981 | 87,208,276 |

Table 17b: Credit Risk Mitigation of Portfolios under the IRB Approach as at 31 December 2018

| RHB Bank Group | Gross Exposures Before Credit Risk Mitigation RM'000 | Gross Exposures Covered by Guarantees / Credit Derivatives RM'000 | Gross Exposures Covered by Eligible Financial Collateral RM'000 | Gross Exposures Covered by Other Eligible Collateral RM'000 |
|--|--|--|--|--|
| Exposure Class | | | | |
| On Balance Sheet Exposures | | | | |
| Corporates, of which | 72,748,563 | 19,786,970 | 4,124,540 | 12,512,128 |
| Corporate Exposures (excluding exposures with firm size adjustments) | 40,686,208 | 12,342,439 | 2,185,099 | 2,323,477 |
| Corporate Exposures (with firm size adjustments) | 25,931,911 | 5,973,451 | 1,939,441 | 10,188,651 |
| Specialised Lending Exposures (Slotting Approach) | | | | |
| Project Finance | 1,906,227 | 311,226 | - | - |
| Income Producing Real Estate | 4,224,217 | 1,159,854 | - | - |
| Retail, of which | 89,444,481 | 26,127 | 8,267,017 | 59,317,460 |
| Residential Mortgages Exposures | 43,810,063 | - | - | 43,629,442 |
| Qualifying Revolving Retail Exposures | 2,027,858 | - | - | - |
| Hire Purchase Exposures | 7,842,696 | - | - | - |
| Other Retail Exposures | 35,763,864 | 26,127 | 8,267,017 | 15,688,018 |
| Defaulted Exposures | 3,903,679 | 78,972 | 24,070 | 1,442,212 |
| Total On Balance Sheet Exposures | 166,096,723 | 19,892,069 | 12,415,627 | 73,271,800 |
| Off Balance Sheet Exposures | | | | |
| OTC Derivatives | 284,258 | 62,943 | - | - |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 21,243,921 | 1,605,888 | 781,754 | 10,171,551 |
| Defaulted Exposures | 43,442 | - | 2,707 | 20,445 |
| Total Off Balance Sheet Exposures | 21,571,621 | 1,668,831 | 784,461 | 10,191,996 |
| Total On and Off Balance Sheet Exposures | 187,668,344 | 21,560,900 | 13,200,088 | 83,463,796 |

Table 18a: Impaired and Past Due Loans/ Financing and Impairment Allowances by Industry Sector as at 30 June 2019

| RHB Bank Group | Impaired Loans and Advances / Financing | Past Due Loans / Financing | Allowance For Credit Losses |
|--|---|----------------------------------|-----------------------------------|
| <u>Industry Sector</u> | RM'000 | RM'000 | RM'000 |
| Agriculture | 132,450 | 192,950 | 32,345 |
| Mining & Quarrying | 213,594 | 2,976 | 297,624 |
| Manufacturing | 468,793 | 143,766 | 488,988 |
| Electricity, Gas & Water Supply | 347,671 | 2,285 | 122,389 |
| Construction | 310,309 | 110,285 | 257,324 |
| Wholesale, Retail Trade, Restaurants & Hotels | 298,103 | 188,702 | 184,627 |
| Transport, Storage & Communication | 489,142 | 59,223 | 375,180 |
| Finance, Insurance/Takaful, Real Estate & Business | 244,325 | 263,748 | 210,345 |
| Education, Health & Others | 31,955 | 26,754 | 12,214 |
| Household | 1,134,204 | 4,866,159 | 892,263 |
| Others | 29,251 | 66,652 | 272,837 |
| Total | 3,699,797 | 5,923,500 | 3,146,136 |

Table 18b: Impaired and Past Due Loans/ Financing and Impairment Allowances by Industry Sector as at 31 December 2018

| RHB Bank Group | Impaired Loans and Advances / Financing | Past Due Loans / Financing | Allowance For Credit Losses |
|--|---|----------------------------------|-----------------------------------|
| <u>Industry Sector</u> | RM'000 | RM'000 | RM'000 |
| Agriculture | 67,839 | 37,994 | 51,858 |
| Mining & Quarrying | 202,393 | 6,204 | 339,083 |
| Manufacturing | 478,806 | 64,773 | 496,489 |
| Electricity, Gas & Water Supply | 89,747 | 1,456 | 67,387 |
| Construction | 305,692 | 69,387 | 324,316 |
| Wholesale, Retail Trade, Restaurants & Hotels | 359,494 | 177,061 | 205,530 |
| Transport, Storage & Communication | 455,837 | 31,122 | 372,420 |
| Finance, Insurance/Takaful, Real Estate & Business | 362,056 | 124,627 | 254,431 |
| Education, Health & Others | 17,924 | 29,034 | 15,208 |
| Household | 1,109,278 | 4,716,315 | 878,163 |
| Others | 34,488 | 20,256 | 246,708 |
| Total | 3,483,554 | 5,278,229 | 3,251,593 |

Table 19: Net Charges/ (Write back) and Write-Offs for Loans/ Financing Impairment by Industry Sector

| RHB Bank Group | Six Months Period Ended 30.06.2019 | | Twelve Months Period Ended 31.12.2018 | |
|--|---|--|---|--|
| | Net Charges / (Write back) for Lifetime ECL Credit Impaired (Stage 3) | Write-Offs for Lifetime ECL Credit Impaired (Stage 3) | Net Charges / (Write back) for Lifetime ECL Credit Impaired (Stage 3) | Write-Offs for Lifetime ECL Credit Impaired (Stage 3) |
| <u>Industry Sector</u> | RM'000 | RM'000 | RM'000 | RM'000 |
| Agriculture | 13,570 | (22) | 306 | (174) |
| Mining & Quarrying | 2,943 | (9) | 7,801 | - |
| Manufacturing | 24,568 | (44,888) | 10,730 | (9,806) |
| Electricity, Gas & Water Supply | 53,528 | (8) | 23,956 | - |
| Construction | 19,167 | (75,123) | (115,211) | (16,675) |
| Wholesale, Retail Trade, Restaurants & Hotels | (23,481) | (4,599) | (13,924) | (69,057) |
| Transport, Storage & Communication | 4,320 | (3,199) | (9,964) | (75,589) |
| Finance, Insurance/Takaful, Real Estate & Business | 11,039 | (10,802) | 12,881 | (32,936) |
| Education, Health & Others | (1,764) | (174) | 1,139 | (2,709) |
| Household | 169,462 | (180,327) | 315,104 | (338,930) |
| Others | 25,397 | (2,595) | 49,062 | (16,095) |
| Total | 298,749 | (321,746) | 281,880 | (561,971) |

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Table 20a: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution as at 30 June 2019

| RHB Bank Group | Impaired Loans and Advances / Financing | Past Due Loans / Financing | Allowance For Credit Losses |
|---|--|-----------------------------------|------------------------------------|
| <u>Geographical Distribution</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Malaysia | 2,242,819 | 5,573,739 | 2,039,414 |
| Labuan Offshore | 274,772 | - | 222,853 |
| Singapore | 1,020,436 | 109,659 | 798,797 |
| Thailand | 33,670 | - | 30,512 |
| Brunei | 16,983 | 20,251 | 1,197 |
| Indonesia | 185 | - | - |
| Cambodia | 88,696 | 26,287 | 45,597 |
| Hong Kong | 27 | - | 28 |
| Lao | 22,209 | 193,564 | 7,738 |
| Total | 3,699,797 | 5,923,500 | 3,146,136 |

Table 20b: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution as at 31 December 2018

| RHB Bank Group | Impaired Loans and Advances / Financing | Past Due Loans / Financing | Allowance For Credit Losses |
|---|--|-----------------------------------|------------------------------------|
| <u>Geographical Distribution</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Malaysia | 2,195,609 | 4,932,062 | 2,076,722 |
| Labuan Offshore | 285,737 | - | 282,193 |
| Singapore | 838,978 | 97,161 | 793,927 |
| Thailand | 33,682 | 1,045 | 27,862 |
| Brunei | 16,357 | 18,777 | 748 |
| Indonesia | - | - | - |
| Cambodia | 88,715 | 22,439 | 58,868 |
| Hong Kong | 16 | - | 16 |
| Lao | 24,460 | 206,745 | 11,257 |
| Total | 3,483,554 | 5,278,229 | 3,251,593 |

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Table 21a: Reconciliation of Changes to Loans/ Financing Impairment Allowances as at 30 June 2019

| RHB Bank Group | 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 |
|---|--|---|---|------------------|
| Balance as at the beginning of the financial period | 591,911 | 994,604 | 1,665,078 | 3,251,593 |
| Changes due to financial assets recognised in the opening balance that have: | | | | |
| - Transferred to 12-month ECL (Stage 1) | 155,235 | (111,353) | (43,882) | - |
| - Transferred to Lifetime ECL not credit impaired (Stage 2) | (33,487) | 77,961 | (44,474) | - |
| - Transferred to Lifetime ECL credit impaired (Stage 3) | (6,095) | (42,900) | 48,995 | - |
| | 115,653 | (76,292) | (39,361) | - |
| Allowance made/ (written back) during the financial period | (106,148) | 118,081 | 412,659 | 424,592 |
| Bad debts written off | - | - | (321,746) | (321,746) |
| Derecognition | (20,828) | (118,443) | (74,549) | (213,820) |
| Reclassification from financial assets at FVOCI | - | - | - | - |
| Exchange differences | 488 | 899 | 4,130 | 5,517 |
| Balance as at the end of the financial period | 581,076 | 918,849 | 1,646,211 | 3,146,136 |

Table 21b: Reconciliation of Changes to Loans/ Financing Impairment Allowances as at 31 December 2018

| RHB Bank Group | 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 |
|---|--|---|---|------------------|
| Balance as at the beginning of the financial year | 513,570 | 925,900 | 1,803,107 | 3,242,577 |
| Changes due to financial assets recognised in the opening balance that have: | | | | |
| - Transferred to 12-month ECL (Stage 1) | 210,496 | (131,950) | (78,546) | - |
| - Transferred to Lifetime ECL not credit impaired (Stage 2) | (42,112) | 87,737 | (45,625) | - |
| - Transferred to Lifetime ECL credit impaired (Stage 3) | (12,056) | (45,327) | 57,383 | - |
| | 156,328 | (89,540) | (66,788) | - |
| Allowance made/ (written back) during the financial year | (31,805) | 250,854 | 724,343 | 943,392 |
| Bad debts written off | - | - | (561,971) | (561,971) |
| Derecognition | (46,617) | (95,675) | (375,675) | (517,967) |
| Reclassification from financial assets at FVOCI | - | - | 135,716 | 135,716 |
| Exchange differences | 435 | 3,065 | 6,346 | 9,846 |
| Balance as at the end of the financial year | 591,911 | 994,604 | 1,665,078 | 3,251,593 |

Table 22a: Market Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2019

| RHB Bank Group | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|----------------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Requirements</u> |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 87,999,756 | 86,577,691 | 1,840,910 | 147,273 |
| Equity Risk | 43,691 | 14,751 | 223,963 | 17,917 |
| Foreign Currency Risk | 692,947 | 113,281 | 674,322 | 53,946 |
| Options Risk | 120,138 | 140,316 | 19,158 | 1,532 |
| Total | | | 2,758,353 | 220,668 |

| RHB Bank | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|----------------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Requirements</u> |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 92,452,925 | 91,051,805 | 1,896,087 | 151,687 |
| Equity Position Risk | 2,845 | - | 7,825 | 626 |
| Foreign Currency Risk | 464,840 | 172,235 | 446,215 | 35,697 |
| Options Risk | 121,229 | 120,146 | 9,322 | 746 |
| Total | | | 2,359,449 | 188,756 |

| RHB Islamic Bank | Long | Short | Risk Weighted | Minimum |
|---------------------------|------------------------|------------------------|----------------------|----------------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Requirements</u> |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit Rate Risk | 15,824,311 | 15,801,571 | 110,990 | 8,879 |
| Equity Position Risk | - | - | - | - |
| Foreign Currency Risk | 30,607 | 11,789 | 30,607 | 2,449 |
| Options Risk | - | - | - | - |
| Total | | | 141,597 | 11,328 |

| RHB Investment Bank | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|----------------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Requirements</u> |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 1,479 | 1,472 | - | - |
| Equity Position Risk | 32,167 | 14,862 | 48,115 | 3,849 |
| Foreign Currency Risk | 118,132 | 5,550 | 118,132 | 9,451 |
| Options Risk | - | 19,645 | 9,010 | 721 |
| Total | | | 175,257 | 14,021 |

Note:

As at 30 June 2019,

1. RHB Bank Group did not have any exposure under commodity risk and inventory risk, and market risk exposure absorbed by PSIA.
2. RHB Bank did not have any exposure under commodity risk and inventory risk, and market risk exposure absorbed by PSIA.
3. RHB Islamic Bank did not have any exposure under equity position risk, commodity risk, inventory risk, options risk, and market risk exposure absorbed by PSIA.
4. RHB Investment Bank did not have any exposure under commodity risk and inventory risk. The equity position risk is computed based on net long and net short position.

Table 22b: Market Risk Weighted Assets and Minimum Capital Requirements as at 31 December 2018

| RHB Bank Group | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|-----------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Capital</u> |
| | RM'000 | RM'000 | RM'000 | Requirements |
| | | | | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 103,655,634 | 101,650,268 | 2,503,081 | 200,246 |
| Equity Position Risk | 24,749 | 11,332 | 71,757 | 5,741 |
| Foreign Currency Risk | 1,074,218 | 130,166 | 1,057,283 | 84,583 |
| Options Risk | 168,498 | 28,728 | 220,323 | 17,626 |
| Total | | | 3,852,444 | 308,196 |

| RHB Bank | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|-----------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Capital</u> |
| | RM'000 | RM'000 | RM'000 | Requirements |
| | | | | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 106,934,978 | 105,176,520 | 2,417,320 | 193,385 |
| Equity Position Risk | - | - | - | - |
| Foreign Currency Risk | 544,756 | 114,108 | 527,821 | 42,226 |
| Options Risk | 18,331 | 17,397 | 690 | 55 |
| Total | | | 2,945,831 | 235,666 |

| RHB Islamic Bank | Long | Short | Risk Weighted | Minimum |
|---------------------------|------------------------|------------------------|----------------------|-----------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Capital</u> |
| | RM'000 | RM'000 | RM'000 | Requirements |
| | | | | RM'000 |
| Profit Rate Risk | 10,408,900 | 10,160,321 | 241,398 | 19,312 |
| Equity Position Risk | - | - | - | - |
| Foreign Currency Risk | 2,218 | 26,733 | 26,732 | 2,138 |
| Options Risk | - | - | - | - |
| Total | | | 268,130 | 21,450 |

| RHB Investment Bank | Long | Short | Risk Weighted | Minimum |
|--------------------------------------|------------------------|------------------------|----------------------|-----------------------|
| <u>Market Risk</u> | <u>Position</u> | <u>Position</u> | <u>Assets</u> | <u>Capital</u> |
| | RM'000 | RM'000 | RM'000 | Requirements |
| | | | | RM'000 |
| Interest Rate Risk/ Profit Rate Risk | 5,890 | 5,870 | - | - |
| Equity Position Risk | 19,300 | 11,332 | 21,982 | 1,758 |
| Foreign Currency Risk | 436,935 | 264,231 | 436,935 | 34,955 |
| Options Risk | 150,000 | 11,332 | 219,097 | 17,528 |
| Total | | | 678,014 | 54,241 |

Note:

As at 31 December 2018,

1. RHB Bank Group did not have any exposure under commodity risk and inventory risk, and market risk exposure absorbed by PSIA.
2. RHB Bank did not have any exposure under equity position risk, commodity risk and inventory risk, and market risk exposure absorbed by PSIA.
3. RHB Islamic Bank did not have any exposure under equity position risk, commodity risk, inventory risk, options risk, and market risk exposure absorbed by PSIA.
4. RHB Investment Bank did not have any exposure under commodity risk and inventory risk. The equity position risk is computed based on net long and net short position.

Table 23: Equity Exposures in the Banking Book

| RHB Bank Group <u>Equity Type</u> | Gross Credit Exposures | | Risk Weighted Assets | |
|---|------------------------|----------------------|----------------------|----------------------|
| | 30.06.2019 RM'000 | 31.12.2018 RM'000 | 30.06.2019 RM'000 | 31.12.2018 RM'000 |
| Publicly traded | | | | |
| Investment in unit trust funds | 98,060 | 36,342 | 98,060 | 36,342 |
| Holdings of equity investments | 69,071 | 137,212 | 69,071 | 137,212 |
| Privately held | | | | |
| For socio economic purposes | 704,911 | 674,216 | 707,872 | 677,177 |
| For non socio economic purposes | 460,853 | 489,050 | 691,285 | 733,574 |
| Other equity | 860 | 860 | 860 | 860 |
| Total | 1,333,755 | 1,337,680 | 1,567,148 | 1,585,165 |
| | 30.06.2019 | 31.12.2018 | | |
| | RM'000 | RM'000 | | |
| Cumulative Realised Gains/ (Loss) from Sale and Liquidations | 1,818 | (832) | | |
| Total Net Unrealised Gains/ (Loss) | 562,064 | 499,643 | | |

Table 24a: Interest Rate Risk/ Rate of Return Risk in the Banking Book as at 30 June 2019

| RHB Bank Group <u>Currency</u> | Impact on Position as at Reporting Period (100 basis points) Parallel Shift | | | |
|-----------------------------------|---|--|--|--|
| | Increase / (Decline) in Earnings | | Increase/(Decline) in Economic Value | |
| | Impact based on +100 basis points RM'000 | Impact based on -100 basis points RM'000 | Impact based on +100 basis points RM'000 | Impact based on -100 basis points RM'000 |
| MYR - Malaysian Ringgit | 361,774 | (361,774) | (1,692,299) | 1,692,299 |
| USD - US Dollar | (66,983) | 66,983 | 88,163 | (88,163) |
| Others ¹ | 38,272 | (38,272) | (2,756) | 2,756 |
| Total | 333,063 | (333,063) | (1,606,892) | 1,606,892 |

Table 24b: Interest Rate Risk/ Rate of Return Risk in the Banking Book as at 31 December 2018

| RHB Bank Group <u>Currency</u> | Impact on Position as at Reporting Period (100 basis points) Parallel Shift | | | |
|-----------------------------------|---|--|--|--|
| | Increase / (Decline) in Earnings | | Increase/(Decline) in Economic Value | |
| | Impact based on +100 basis points RM'000 | Impact based on -100 basis points RM'000 | Impact based on +100 basis points RM'000 | Impact based on -100 basis points RM'000 |
| MYR - Malaysian Ringgit | 304,697 | (304,697) | (1,369,735) | 1,369,735 |
| USD - US Dollar | (36,599) | 36,599 | 32,689 | (32,689) |
| Others ¹ | 21,164 | (21,164) | (18,815) | 18,815 |
| Total | 289,262 | (289,262) | (1,355,861) | 1,355,861 |

Note:

1. Inclusive of GBP, EUR, SGD, etc
2. The EaR and EVE exposures are additive and do not take into account any correlation impact in the aggregation.
3. The earnings and economic values were computed based on the standardised approach adopted by BNM.

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2019

Table 25a: Operational Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2019

| <u>Operational Risk</u> | <u>RHB Bank Group</u> RM'000 | <u>RHB Bank</u> RM'000 | <u>RHB Islamic Bank</u> RM'000 | <u>RHB Investment Bank</u> RM'000 |
|------------------------------|-------------------------------------|---------------------------|---------------------------------------|--|
| Risk Weighted Assets | 11,866,544 | 8,438,277 | 1,805,373 | 797,728 |
| Minimum Capital Requirements | 949,324 | 675,062 | 144,430 | 63,818 |

Table 25b: Operational Risk Weighted Assets and Minimum Capital Requirements as at 31 December 2018

| <u>Operational Risk</u> | <u>RHB Bank Group</u> RM'000 | <u>RHB Bank</u> RM'000 | <u>RHB Islamic Bank</u> RM'000 | <u>RHB Investment Bank</u> RM'000 |
|------------------------------|-------------------------------------|---------------------------|---------------------------------------|--|
| Risk Weighted Assets | 11,762,542 | 8,394,333 | 1,679,551 | 807,022 |
| Minimum Capital Requirements | 941,003 | 671,547 | 134,364 | 64,562 |