

RHB BANK BERHAD

Analysts Presentation FY2021 Financial Results

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Agenda

1. Executive Summary
2. FY2021 Financial Results
3. Strategy Update
4. Sustainability Update
5. Summary and Outlook



Executive Summary

Profitability

Q4 2021 (Year-on-year)

- **Net fund based income** grew marginally by 0.2% Y-o-Y to RM1,533.9 million from lower funding cost
- **Non-fund based income** decreased 25.1% Y-o-Y to RM421.0 million due to lower fee income from brokerage and commercial banking, and lower net trading and investment income
- **Total income** declined 7.2% Y-o-Y to RM1,919.3 million (normalised¹: -6.6% Y-o-Y to RM1,954.9 million)
- **Operating expenses** rose 2.4% Y-o-Y to RM910.4 million
- **Operating profit before allowances** declined 14.4% Y-o-Y to RM1,008.9 million (normalised¹: -13.3% Y-o-Y to RM1,044.5 million)
- **Allowances for ECL** was lower by 85.7% Y-o-Y at RM86.3 million due to lower ECL on loans and higher bad debts recovered
- **Net profit** grew 43.9% Y-o-Y from RM438.6 million in Q4 2020 to RM631.2 million in Q4 2021 (normalised¹: 43.7% Y-o-Y to RM658.2 million)

Profitability

FY2021 (Year-on-year)

- **Net fund based income** grew 11.5% Y-o-Y to RM5,874.7 million mainly due to proactive funding cost management
- **Non-fund based income** dipped 7.6% Y-o-Y to RM2,158.9 million mainly from lower brokerage income and net trading and investment income, despite higher insurance underwriting surplus and fee income growth from capital market, asset management and commercial banking
- **Total income** grew 8.4% Y-o-Y to RM7,788.7 million (normalised¹: 5.7% Y-o-Y to RM8,033.6 million)
- **Operating expenses** rose 4.0% Y-o-Y to RM3,522.4 million. With positive JAWS, CIR further improved to 45.2% compared with 47.1% a year ago (normalised¹ CIR: 43.8% in FY2021 and 44.5% in FY2020)
- **Operating profit before allowances** increased 12.3% Y-o-Y to RM4,266.3 million (normalised¹: 7.0% Y-o-Y to RM4,511.2 million)
- **Allowances for ECL** reduced 35.6% Y-o-Y to RM737.2 million, which included total overlay of RM262 million. Credit cost at 0.29% (FY2020: 0.58%)
- **Net profit** grew 28.8% Y-o-Y to RM2,618.4 million from RM2,032.5 million in FY2020 (normalised¹: 21.1% Y-o-Y to RM2,804.5 million)
- **ROE** at 9.6% (FY2020: 7.7%). On a normalised¹ basis, ROE at 10.3% (FY2020: 8.8%)

Assets and Liabilities

- **Gross loans and financing**
 - Expanded 2.0% Q-o-Q to RM198.5 billion attributed mainly to growth in mortgage, auto finance and SME (Domestic loans growth Q-o-Q: 2.1%)
 - Expanded 6.7% Y-o-Y attributed mainly to growth in mortgage, auto finance, SME, Commercial and Singapore
 - Domestic loans expanded 4.8% Y-o-Y, exceeding industry growth
- **Customer deposits**
 - Grew 2.2% Q-o-Q to RM218.7 billion from higher FD and MMTD (2.3%) and CASA (1.7%)
 - Rose 7.5% Y-o-Y supported by growth in FD and MMTD (9.0%) and CASA (4.5%)
 - CASA made up 30.0% of total deposits (30.1% in Q3 2021; 30.9% in Q4 2020)
- **Gross impaired loans (GIL)** ratio stood at 1.49% (1.32% in Q3 2021; 1.71% in Q4 2020)
- **LLC excluding regulatory reserve** remained well above 100% at 122.4% (147.9% in Q3 2021; 119.7% in Q4 2020)






Capital and Liquidity

Strong capital and liquidity position

- Group CET 1 ratio at 17.2% (16.8% in Q3 2021; 16.2% in Q4 2020) and total capital ratio at 19.8% (19.4% in Q3 2021; 18.4% in Q4 2020)
- Bank entity CET 1 ratio at 15.2% (15.7% in Q3 2021; 14.6% in Q4 2020) and total capital ratio at 18.2% (18.5% in Q3 2021; 16.9% in Q4 2020)
- Healthy liquidity coverage ratio of 155.7% (138.0 % in Q3 2021; 146.9% in Q4 2020)

Dividend

- **Continue to reward shareholders with higher dividend**
 - Proposed a final dividend of 25 sen per share, consisting of cash payout of 15 sen per share and an electable portion under Dividend Reinvestment Plan of 10 sen per share
 - Together with the interim dividend, full year dividend amounts to 40 sen per share equivalent to a payout ratio of 62.9% and dividend yield of 7.4% for FY2021, highest ever for the Group

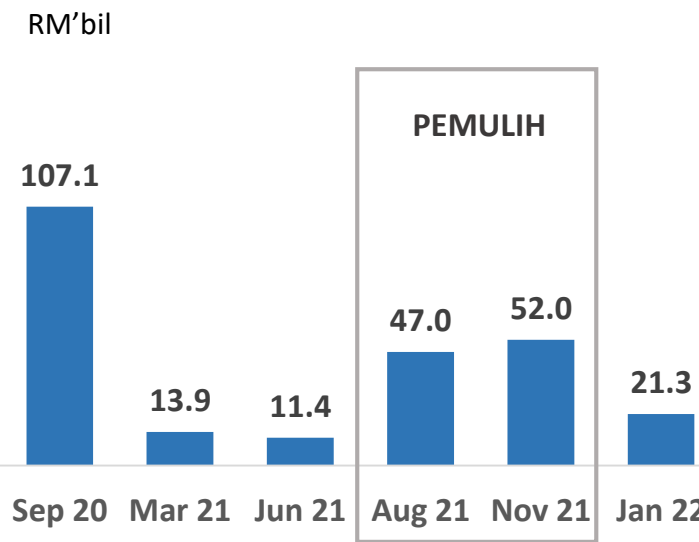
| Top Level Indicators | Target FY2021 | Actual FY2021 | Achieved Target |
|----------------------------|---------------|-----------------------------|---|
| ROE | 9.0% | 9.6% [10.3%] ^{N1} |  |
| Loans Growth | 4%-5% | 6.7% |  |
| CASA Composition | 30.0% | 30.0% |  |
| Gross Impaired Loans Ratio | <2.00% | 1.49% |  |
| Cost-to-Income Ratio | ≤46.5% | 45.2% [43.8%] ^{N1} |  |

^{N1} Excluding modification loss

- Domestic outstanding RA has reduced significantly from 31% as at 10th Nov 2021 to 12% as at 31st Jan 2022
- The reduction was from lower RA across all segments, as more borrowers exited the programme with the expiry of PEMULIH package and resumed their normal repayments

| % of Outstanding Loan Balance | Initial Moratorium | | Outstanding RA as at: | | | | |
|--------------------------------|--------------------|------------|---------------------------|------------|---------------------------|-------------|------------|
| | Sept 2020 | | 10 th Nov 2021 | | 31 st Jan 2022 | | |
| | RM bil | % | RM bil | % | No of accounts | RM bil | % |
| GROUP COMMUNITY BANKING | 94.1 | 82% | 44.6 | 37% | 84,550 | 17.1 | 14% |
| Retail | 73.2 | 78% | 33.9 | 35% | 78,247 | 12.5 | 12% |
| of which: | | | | | | | |
| Mortgage | 50.1 | 81% | 23.0 | 34% | 30,215 | 9.8 | 14% |
| Unsecured Business | 6.8 | 73% | 4.0 | 44% | 24,929 | 0.7 | 8% |
| Auto Finance | 6.1 | 70% | 3.1 | 34% | 11,904 | 0.5 | 5% |
| Securities | 6.3 | 79% | 2.2 | 29% | 9,534 | 0.7 | 9% |
| SME | 21.0 | 96% | 10.7 | 45% | 6,303 | 4.6 | 19% |
| GROUP WHOLESALE BANKING | 12.9 | 27% | 7.4 | 15% | 115 | 4.2 | 8% |
| Corporate | 11.7 | 28% | 4.7 | 11% | 33 | 2.8 | 7% |
| Commercial | 1.2 | 19% | 2.7 | 39% | 82 | 1.4 | 20% |
| TOTAL DOMESTIC | 107.1 | 66% | 52.0 | 31% | 84,665 | 21.3 | 12% |

Recap of domestic outstanding RA (2020 - Jan 2022)



- Prior to Pemulih, outstanding RA showed an improvement between March and June 2021
- In August 2021, outstanding RA increased due to PEMULIH package which took effect in July 2021
- Outstanding RA has reduced in Jan 2022 with the expiry of PEMULIH package

Analysis on outstanding RA by option and risk category

- For Retail and Commercial, most of the borrowers are under deferment of instalments whilst majority of SME and Corporate borrowers are under R&R / reduction in instalments
- Most of the borrowers continue to be under “Low” risk category
- “High” risk constitutes only 4% of Retail borrowers and ranges between 11%-38% for Non-Retail

| % of Outstanding RA (31 st Jan 2022) | | | | |
|---|--------|-----|-----------|------------|
| RA by option | Retail | SME | Corporate | Commercial |
| • Reduction in instalments | 27% | 64% | 89% | 24% |
| • Deferment of instalments | 73% | 36% | 11% | 76% |
| Risk category | Retail | SME | Corporate | Commercial |
| • Low | 78% | 62% | 73% | 89% |
| • Medium | 18% | - | - | - |
| • High | 4% | 38% | 27% | 11% |

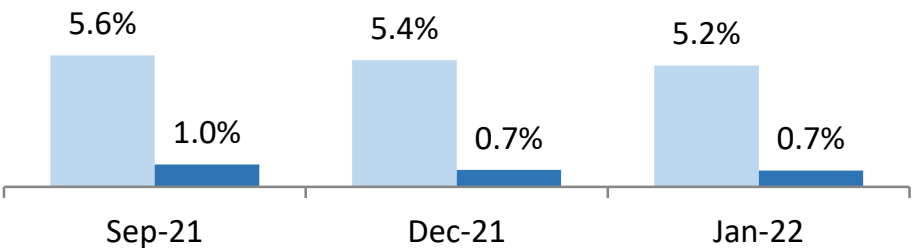
Update on URUS Applications

- As at 31st January 2022, total applications which have been approved by AKPK was RM216 million, which represents 0.2% of total Retail portfolio
- Eligible B50 customers who are in need of further financial assistance may apply for URUS, which is now made available until 31 March 2022

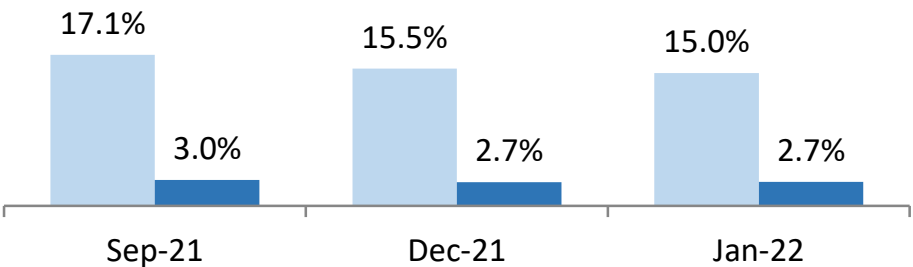
Analysis on Total Loans by Stage 2 and 3

- Stage 2 loans for all segments showed improvement between September 2021 and January 2022
- Stage 3 loans remained benign across all key segments

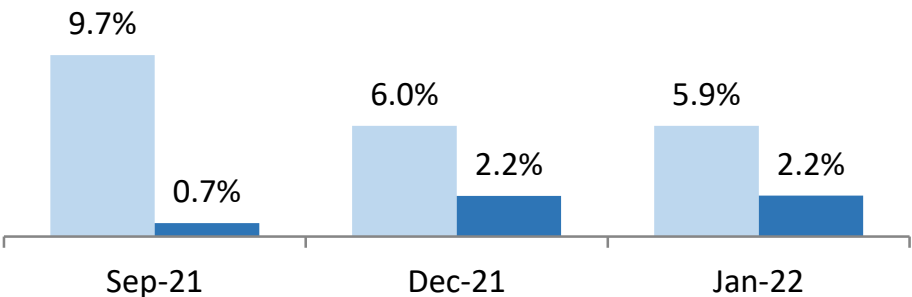
Retail



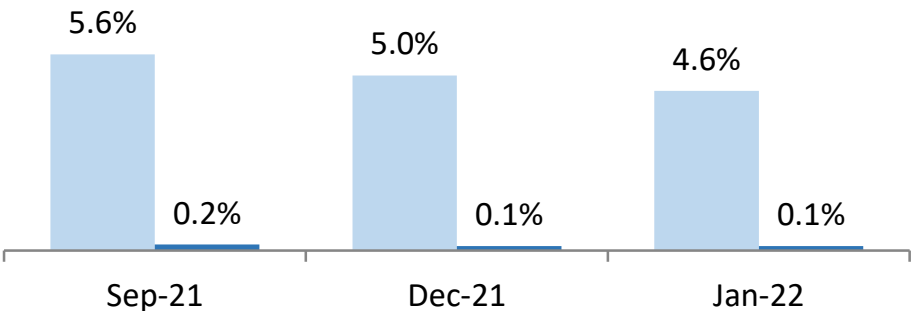
SME



Corporate



Commercial







FY2021 Financial Results

Resilient FY2021 performance supported by higher net fund based income and lower ML and ECL; Maintained positive JAWS; Improved asset quality with lower GIL and credit charge ratios


Financial Results ^{N1}

Total Income
 **+5.7%**

2021: RM8.03 bil
2020: RM7.60 bil

Operating Profit Before Allowances
 **+7.0%**

2021: RM4.51 bil
2020: RM4.22 bil


Profit Before Tax
 **+23.2%**

2021: RM3.77 bil
2020: RM3.06 bil


Net Profit to Shareholders
 **+21.1%**

2021: RM2.80 bil
2020: RM2.32 bil


Profitability Ratios ^{N1}

Return on Equity
 **+1.5%**

2021: 10.3%
2020: 8.8%


Cost-to-Income Ratio
 **-0.7%**

2021: 43.8%
2020: 44.5%


Non-Fund Based/ Total Income
 **-3.8%**

2021: 26.9%
2020: 30.7%


Financial Position

Total Assets
 **+6.8%**

2021: RM289.5 bil
2020: RM271.1 bil

Gross Loan
 **+6.7%**

2021: RM198.5 bil
2020: RM186.1 bil


Customer Deposits
 **+7.5%**

2021: RM218.7 bil
2020: RM203.5 bil

Shareholders' Equity
 **+3.6%**

2021: RM28.0 bil
2020: RM27.0 bil


Asset Quality

Stage 2 Loans Ratio
 **-4.10%**

2021: 7.10%
2020: 11.20%

Group GIL Ratio
 **-0.22%**


2021: 1.49%
2020: 1.71%

Domestic GIL Ratio
 **Unch.**


2021: 1.35%
2020: 1.35%

CASA
 **+4.5%**


2021: RM65.6 bil
2020: RM62.8 bil

CASA Ratio
 **-0.9%**


2021: 30.0%
2020: 30.9%

Liquidity Coverage Ratio
 **+8.8%**

2021: 155.7%
2020: 146.9%

Credit Charge Ratio
 **-0.29%**

2021: 0.29%
2020: 0.58%

Loan Loss Coverage Ratio ^{N2}
 **+2.7%**

2021: 122.4%
2020: 119.7%

FY2021 and Q4 profits grew Y-o-Y mainly due to lower ECL but negated by lower non-fund based income; Q-o-Q declined marginally despite lower ML and ECL

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| RM' mil | Q4 2020 | Q3 2021 | Q4 2021 | Q-o-Q | Y-o-Y | FY2020 | FY2021 | Y-o-Y |
|--|----------------|----------------|----------------|--------|--------|----------------|-----------------|-------|
| Net Fund Based Income | 1,531.5 | 1,491.9 | 1,533.9 | 2.8% | 0.2% | 5,267.4 | 5,874.7 | 11.5% |
| Non-Fund Based Income | 562.1 | 621.1 | 421.0 | -32.2% | -25.1% | 2,336.3 | 2,158.9 | -7.6% |
| Modification Loss | -25.6 | -172.1 | -35.6 | 79.3% | -39.1% | -418.0 | -244.9 | 41.4% |
| Total Income | 2,068.0 | 1,940.9 | 1,919.3 | -1.1% | -7.2% | 7,185.7 | 7,788.7 | 8.4% |
| Operating Expenses | -889.4 | -862.4 | -910.4 | -5.6% | -2.4% | -3,386.7 | -3,522.4 | -4.0% |
| Operating Profit Before Allowances | 1,178.6 | 1,078.6 | 1,008.9 | -6.5% | -14.4% | 3,799.0 | 4,266.3 | 12.3% |
| Allowance for Credit Losses on Financial Assets | -604.4 | -249.8 | -86.3 | 65.5% | 85.7% | -1,145.1 | -737.2 | 35.6% |
| Impairment Losses Made on Other Non-Financial Assets | - | - | - | - | - | -9.5 | -0.3 | 96.8% |
| Profit Before Taxation | 574.2 | 828.8 | 922.6 | 11.3% | 60.7% | 2,644.4 | 3,528.8 | 33.4% |
| Profit from Continuing Operations | 439.3 | 637.8 | 631.3 | -1.0% | 43.7% | 2,004.5 | 2,623.1 | 30.9% |
| Profit from Discontinued Operation | - | - | - | - | - | 34.7 | - | - |
| Net Profit for the Financial Period | 439.3 | 637.8 | 631.3 | -1.0% | 43.7% | 2,039.2 | 2,623.1 | 28.6% |
| Net Profit Attributable to Equity Holders | 438.6 | 635.6 | 631.2 | -0.7% | 43.9% | 2,032.5 | 2,618.4 | 28.8% |
| Earnings Per Share (sen) | 10.9 | 15.6 | 15.3 | -1.9% | 40.4% | 50.7 | 64.7 | 27.6% |

Underlying FY2021 performance aided by lower ECL but mitigated by lower non-fund based income

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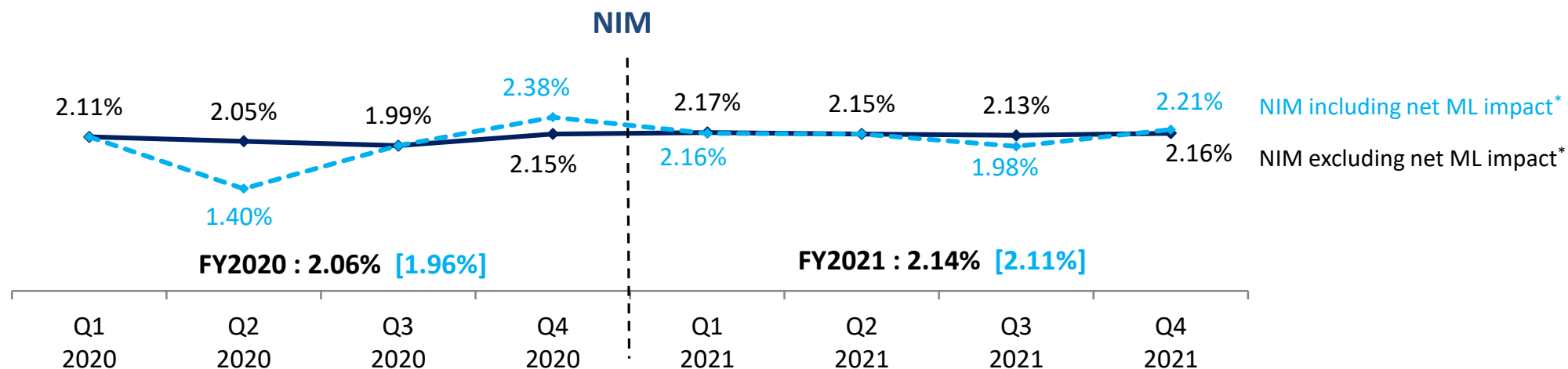
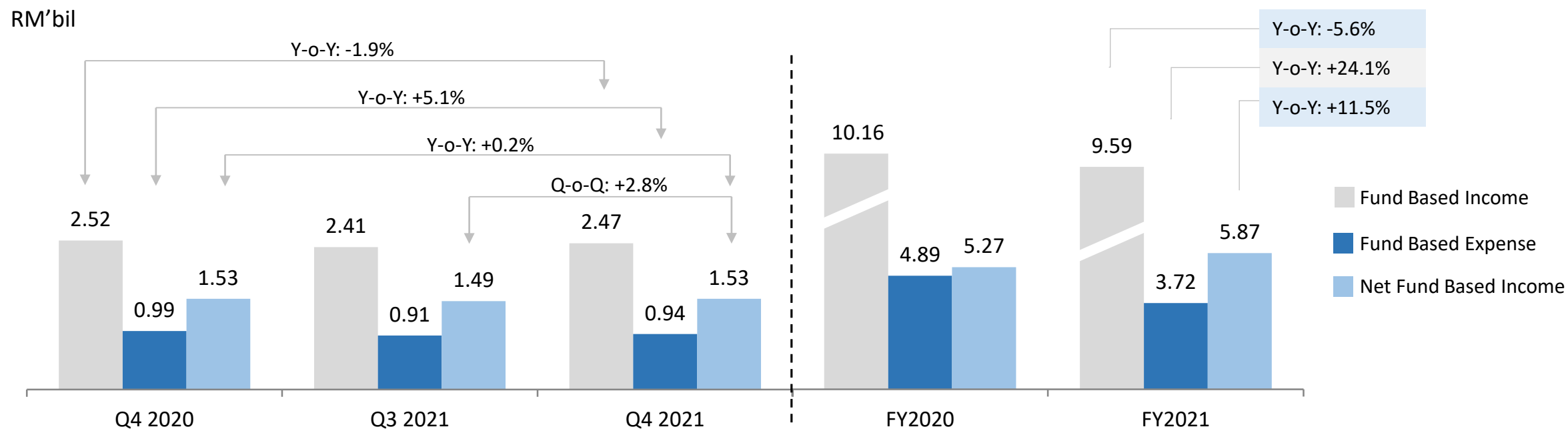
| RM' mil | Q4 2020 | Q3 2021 | Q4 2021 | Q-o-Q | Y-o-Y | FY2020 | FY2021 | Y-o-Y |
|--|----------------|----------------|----------------|--------|--------|----------------|-----------------|-------|
| Total Income | 2,068.0 | 1,940.9 | 1,919.3 | -1.1% | -7.2% | 7,185.7 | 7,788.7 | 8.4% |
| Add back: Modification Loss | 25.6 | 172.1 | 35.6 | 79.3% | -39.1% | 418.0 | 244.9 | 41.4% |
| Normalised¹ Total Income | 2,093.6 | 2,113.0 | 1,954.9 | -7.5% | -6.6% | 7,603.7 | 8,033.6 | 5.7% |
| Operating Expenses | -889.4 | -862.4 | -910.4 | -5.6% | -2.4% | -3,386.7 | -3,522.4 | -4.0% |
| Operating Profit Before Allowances | 1,178.6 | 1,078.6 | 1,008.9 | -6.5% | -14.4% | 3,799.0 | 4,266.3 | 12.3% |
| Normalised¹ Op. Profit Before Allowances | 1,204.2 | 1,250.7 | 1,044.5 | -16.5% | -13.3% | 4,217.0 | 4,511.2 | 7.0% |
| Allowance for Credit Losses on Financial Assets | -604.4 | -249.8 | -86.3 | 65.5% | 85.7% | -1,145.1 | -737.2 | 35.6% |
| Impairment Losses Made on Other Non-Financial Assets | - | - | - | - | - | -9.5 | -0.3 | 96.8% |
| Profit Before Taxation | 574.2 | 828.8 | 922.6 | 11.3% | 60.7% | 2,644.4 | 3,528.8 | 33.4% |
| Normalised¹ Profit Before Taxation | 599.8 | 1,000.9 | 958.2 | -4.3% | 59.8% | 3,062.4 | 3,773.7 | 23.2% |
| Net Profit | 438.6 | 635.6 | 631.2 | -0.7% | 43.9% | 2,032.5 | 2,618.4 | 28.8% |
| Normalised¹ Net Profit | 458.1 | 766.4 | 658.2 | -14.1% | 43.7% | 2,315.5 | 2,804.5 | 21.1% |
| Cost-to-Income Ratio | | | | | | 47.1% | 45.2% | 1.9% |
| Normalised¹ Cost-to-Income Ratio | | | | | | 44.5% | 43.8% | 0.7% |
| ROE | | | | | | 7.7% | 9.6% | 1.9% |
| Normalised¹ ROE | | | | | | 8.8% | 10.3% | 1.5% |

Note:

¹ Normalised = excluding modification loss

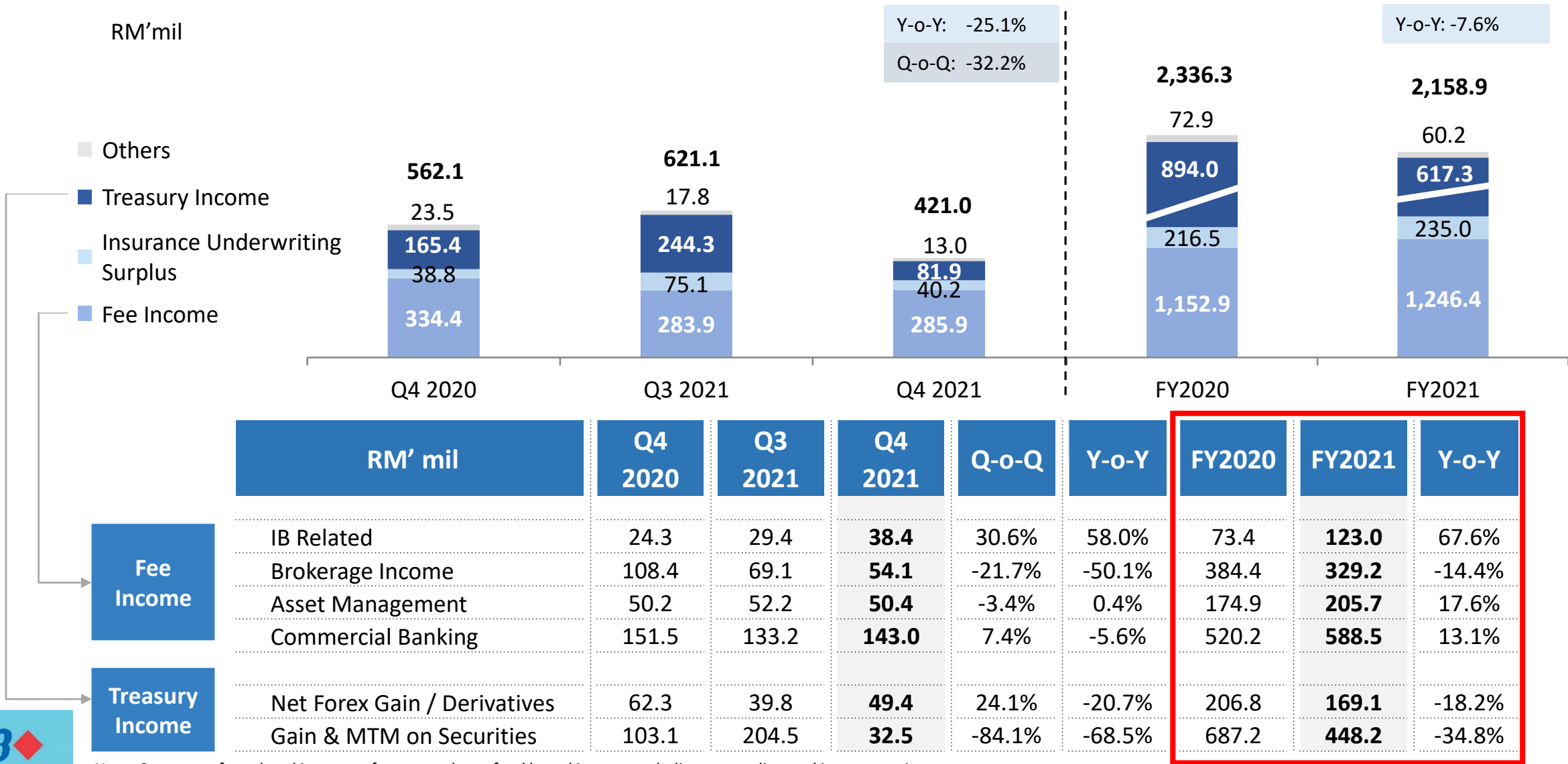


Net fund based income grew 11.5% Y-o-Y mainly due to proactive funding cost management; NIM strengthened by 8 bps to 2.14% in FY2021



* Net ML impact includes unwinding of ML

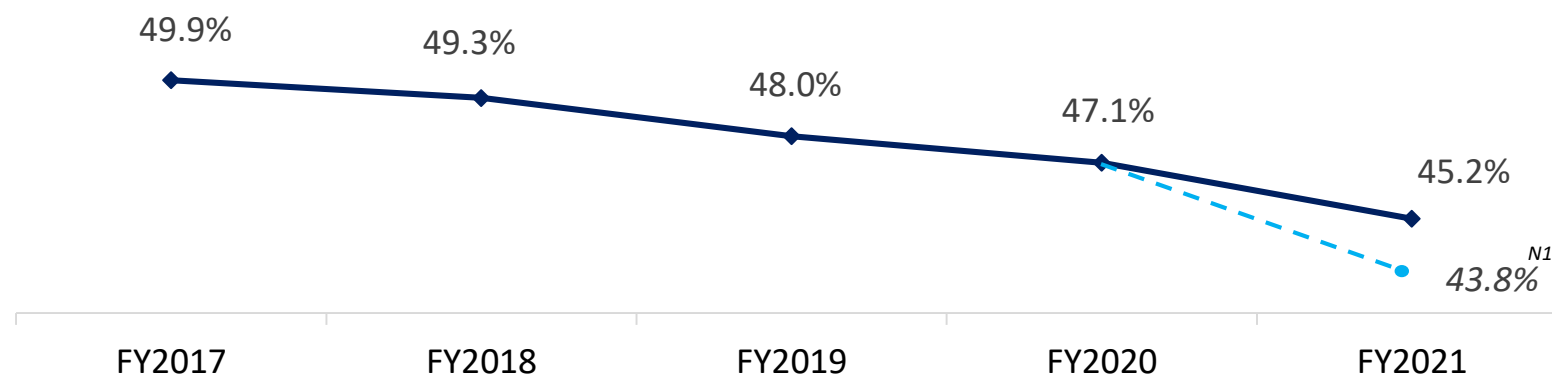
Customers fee related income grew 3.7% Y-o-Y; However, overall non-fund based income declined mainly due to lower net trading and investment income



Operating expenses grew by 4.0% Y-o-Y mainly from higher personnel, IT and A&G; Maintained positive JAWS; CIR further improved to 45.2%

| RM' mil | Q4 2020 | Q3 2021 | Q4 2021 | Q-o-Q | Y-o-Y | FY2020 | FY2021 | Y-o-Y |
|-----------------------------------|--------------|--------------|--------------|-------------|-------------|----------------|----------------|-------------|
| Personnel Costs | 499.8 | 531.0 | 525.6 | -1.0% | 5.2% | 2,041.6 | 2,137.7 | 4.7% |
| Establishment Costs | 196.1 | 191.5 | 205.0 | 7.0% | 4.5% | 747.5 | 772.8 | 3.4% |
| of which: IT Expenses | 74.9 | 70.4 | 72.0 | 2.3% | -3.9% | 271.9 | 280.2 | 3.1% |
| Marketing Expenses | 84.9 | 53.6 | 68.3 | 27.4% | -19.6% | 240.2 | 241.3 | 0.5% |
| Administration & General Expenses | 108.6 | 86.3 | 111.5 | 29.2% | 2.7% | 357.4 | 370.6 | 3.7% |
| Total | 889.4 | 862.4 | 910.4 | 5.6% | 2.4% | 3,386.7 | 3,522.4 | 4.0% |
| CIR (%) | 43.0 | 44.4 | 47.4 | | | 47.1 | 45.2 | |

CIR



N1 Normalised CIR excluding ML impact

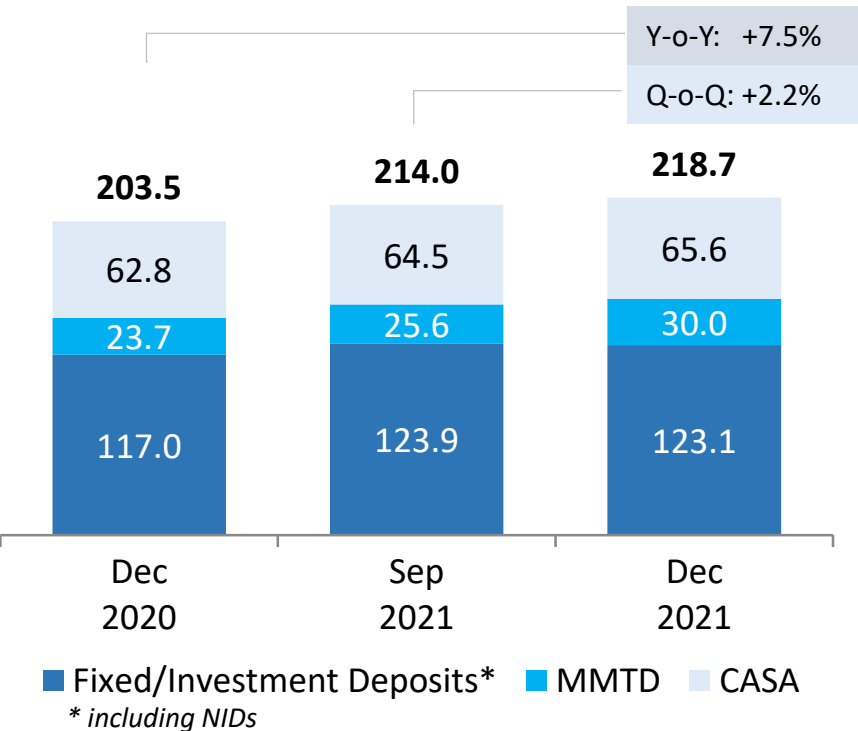
Loans grew 6.7% Y-o-Y led mainly by mortgage, auto finance, SME, Commercial and Singapore;
Domestic loans grew 4.8% Y-o-Y, exceeding industry growth

| RM'mil | Dec 2020 | Sep 2021 | Dec 2021 | Q-o-Q | Y-o-Y |
|--------------------------------|----------------|----------------|----------------|-------------|--------------|
| GROUP COMMUNITY BANKING | 116,976 | 120,778 | 124,161 | 2.8% | 6.1% |
| Retail | 94,973 | 97,114 | 99,688 | 2.7% | 5.0% |
| Mortgage | 63,083 | 66,197 | 68,176 | 3.0% | 8.1% |
| Commercial Property Financing | 4,673 | 4,512 | 4,482 | -0.7% | -4.1% |
| Securities | 7,996 | 7,601 | 7,710 | 1.4% | -3.6% |
| Auto Finance | 8,952 | 9,008 | 9,335 | 3.6% | 4.3% |
| Unsecured Business | 9,515 | 9,106 | 9,305 | 2.2% | -2.2% |
| Others | 754 | 690 | 680 | -1.4% | -9.8% |
| SME | 22,003 | 23,664 | 24,473 | 3.4% | 11.2% |
| GROUP WHOLESALE BANKING | 49,121 | 49,674 | 49,918 | 0.5% | 1.6% |
| Corporate | 42,434 | 42,615 | 42,819 | 0.5% | 0.9% |
| Commercial | 6,687 | 7,059 | 7,099 | 0.6% | 6.2% |
| TOTAL RHB DOMESTIC | 166,097 | 170,452 | 174,079 | 2.1% | 4.8% |
| OVERSEAS OPERATIONS | 20,017 | 24,174 | 24,433 | 1.1% | 22.1% |
| Singapore | 15,568 | 19,370 | 19,446 | 0.4% | 24.9% |
| Others | 4,449 | 4,804 | 4,987 | 3.8% | 12.1% |
| TOTAL RHB GROUP | 186,114 | 194,626 | 198,512 | 2.0% | 6.7% |

Total deposits grew 7.5% Y-o-Y attributed to growth in CASA, FD and MMTD; CASA ratio remained healthy at 30.0%

Customer Deposits

RM'bil

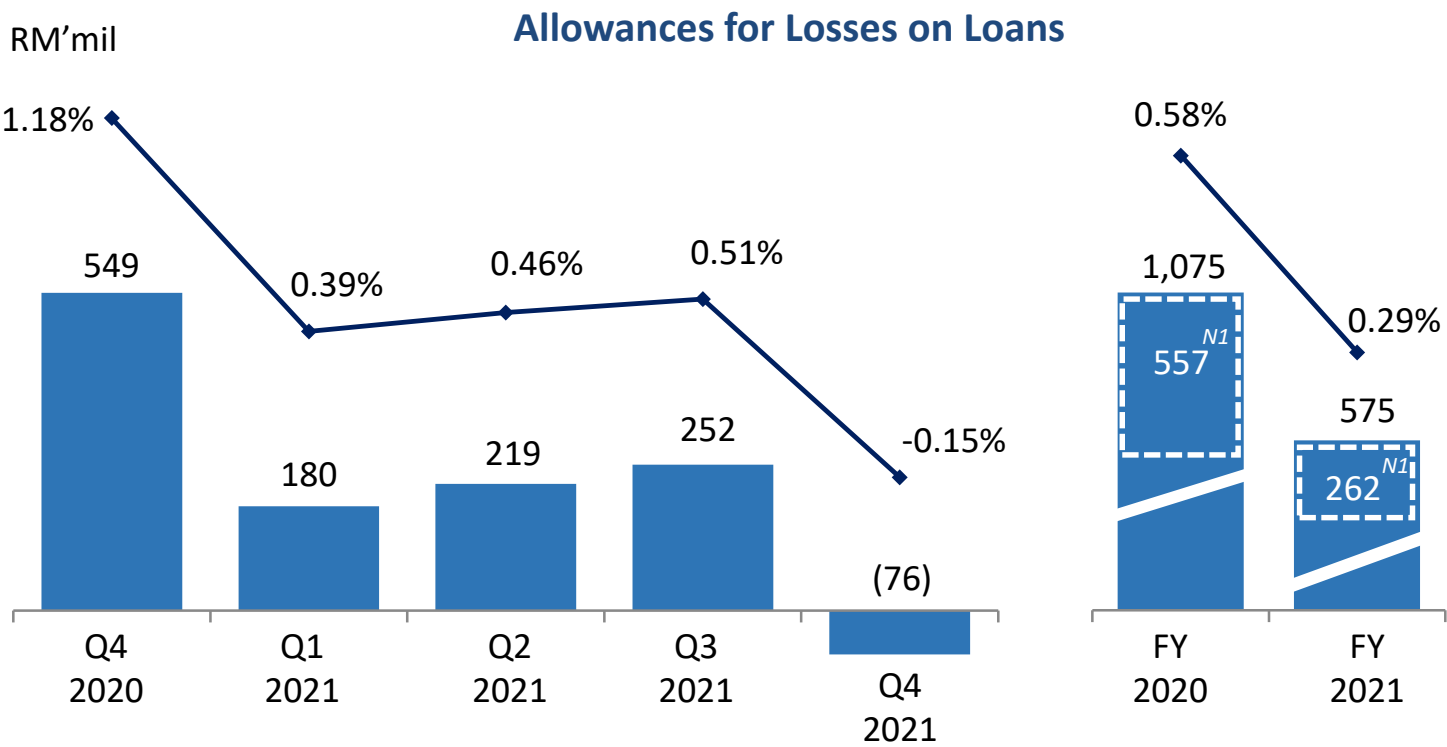


| | | | |
|-----|--------|--------|--------|
| LDR | 91.5% | 90.9% | 90.8% |
| LCR | 146.9% | 138.0% | 155.7% |

CASA by Segment

| RM'bil | Dec 2020 | Sep 2021 | Dec 2021 | Q-o-Q | Y-o-Y |
|-------------------------|----------|----------|----------|-------|--------|
| Group Community Banking | 36.3 | 40.5 | 41.5 | 2.4% | 14.2% |
| Retail | 20.7 | 23.3 | 23.5 | 0.8% | 13.5% |
| SME | 15.6 | 17.2 | 18.0 | 4.6% | 15.1% |
| Group Wholesale Banking | 14.1 | 12.5 | 12.0 | -4.5% | -15.3% |
| Corporate | 12.8 | 11.2 | 10.5 | -6.2% | -18.1% |
| Commercial | 1.4 | 1.4 | 1.5 | 9.6% | 11.1% |
| Total RHB Domestic | 50.5 | 53.0 | 53.5 | 0.8% | 5.9% |
| Overseas | 12.3 | 11.5 | 12.1 | 5.7% | -1.3% |
| Total RHB Group | 62.8 | 64.5 | 65.6 | 1.7% | 4.5% |
| CASA Ratio | 30.9% | 30.1% | 30.0% | | |

FY2021 credit cost strengthened to 0.29% from lower ECL on loans and higher bad debts recovered during the year

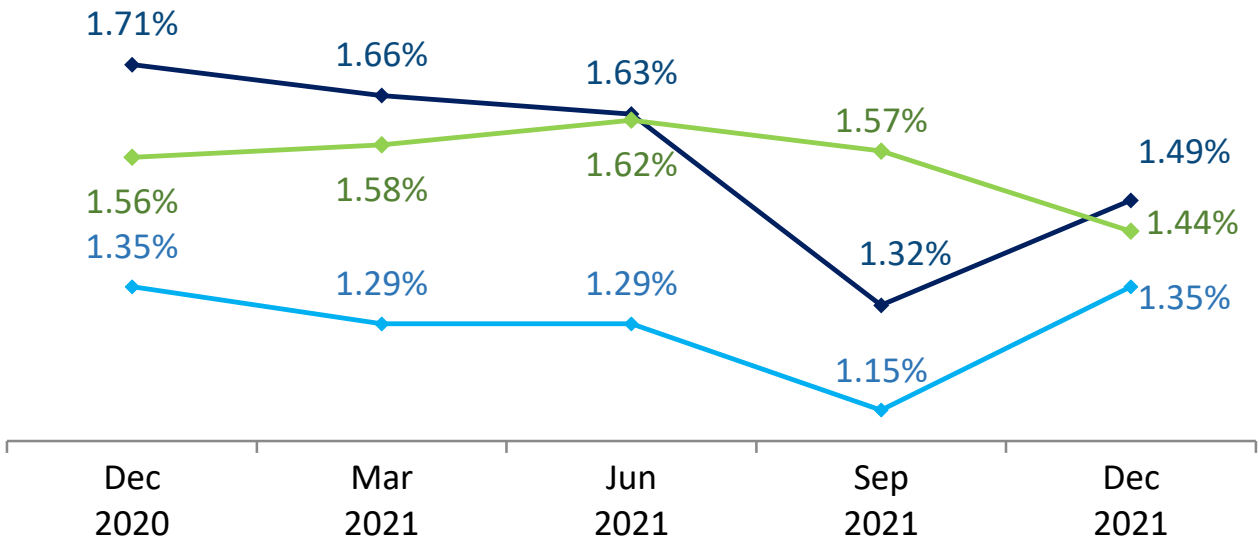


ECL staging composition:

| | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 | Q4 2021 |
|---------|---------|---------|---------|---------|---------|
| Stage 1 | 21% | 24% | 28% | 34% | 28% |
| Stage 2 | 36% | 36% | 33% | 36% | 33% |
| Stage 3 | 42% | 40% | 38% | 30% | 39% |

Gross Impaired Loans

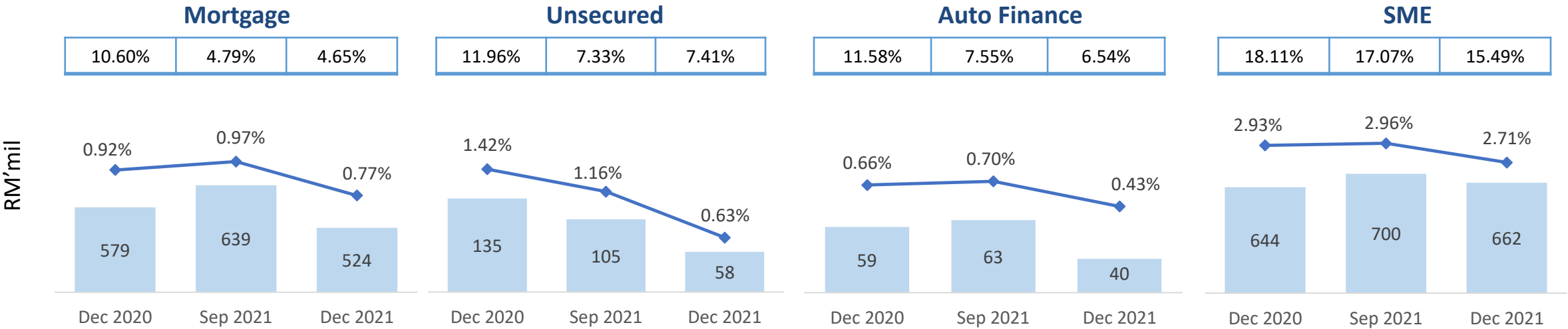
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|--------|--------|-------|-------|-------|
| 11.20% | 10.45% | 8.27% | 8.23% | 7.10% |
|--------|--------|-------|-------|-------|



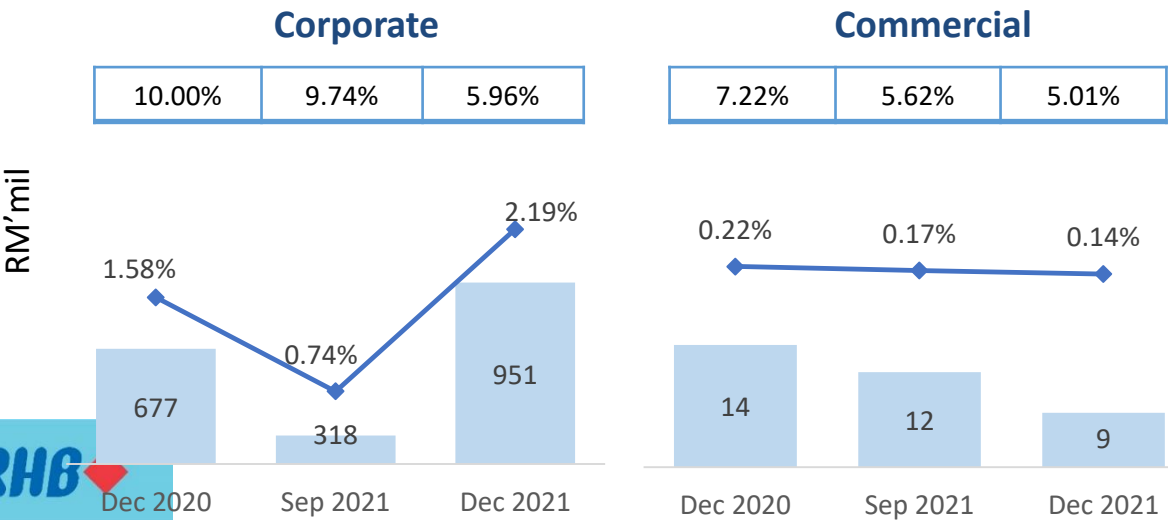
| | | | | | |
|-------------------|--------|--------|--------|--------|--------|
| LLC ^{N1} | 119.7% | 119.5% | 124.1% | 147.9% | 122.4% |
|-------------------|--------|--------|--------|--------|--------|

N1: Excluding 1.0% regulatory reserve

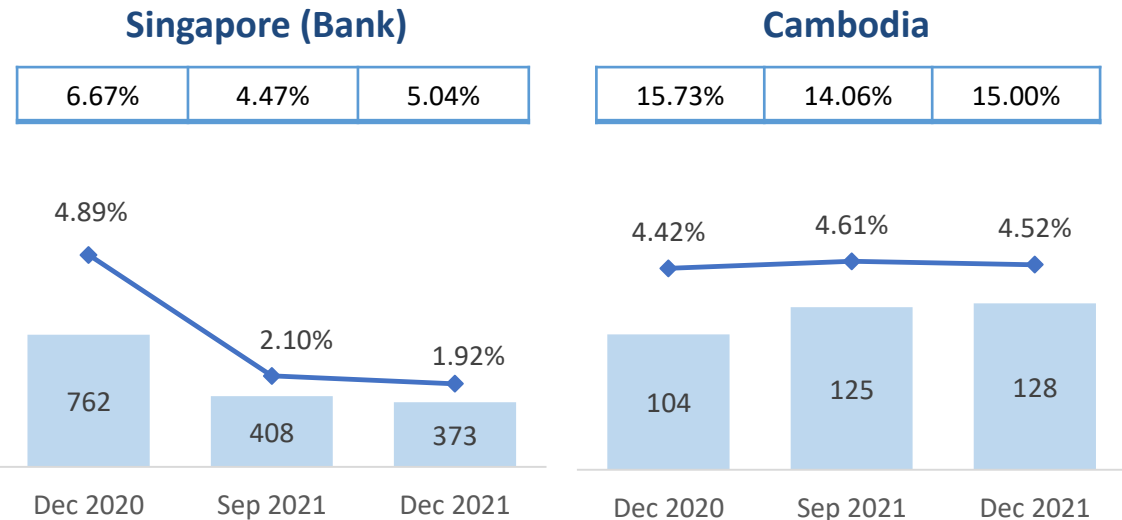
Group Community Banking



Group Wholesale Banking



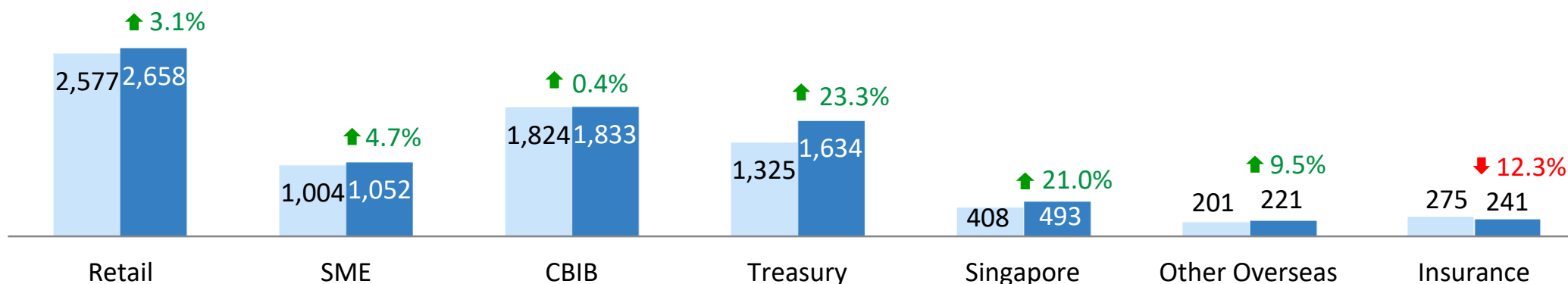
Overseas



Profit grew in most business segments; lower profit for CBIB due to higher ECL whilst Insurance impacted by MTM on securities' losses

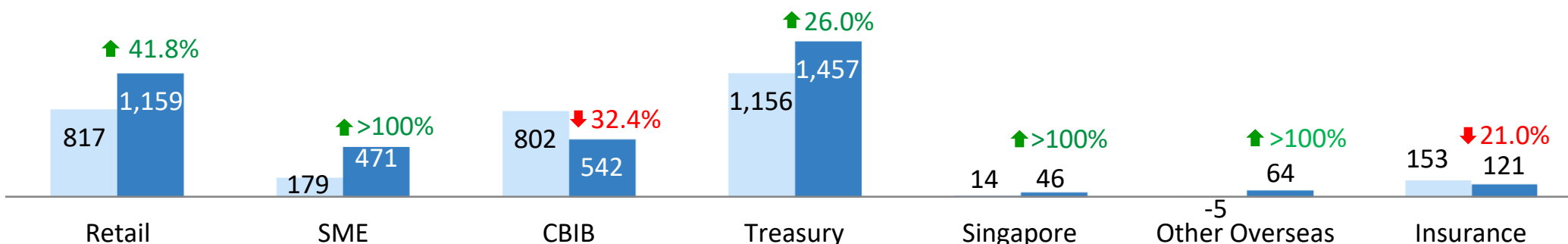
| Group Community Banking | Group Wholesale Banking | Group International Business |
|--|---|---|
| FY 2021: RM3.71 bil FY 2020: RM3.58 bil ↑ 3.6% | FY 2021: RM3.47 bil FY 2020: RM3.15 bil ↑ 10.0% | FY 2021: RM0.71 bil FY 2020: RM0.61 bil ↑ 17.2% |

Revenue



| Group Community Banking | Group Wholesale Banking | Group International Business |
|---|--|---|
| FY 2021: RM1.63 bil FY 2020: RM1.00 bil ↑ 63.6% | FY 2021: RM2.00 bil FY 2020: RM1.96 bil ↑ 2.1% | FY 2021: RM109.3 mil FY 2020: RM9.8 mil ↑ >100% |

Pre-tax Profit



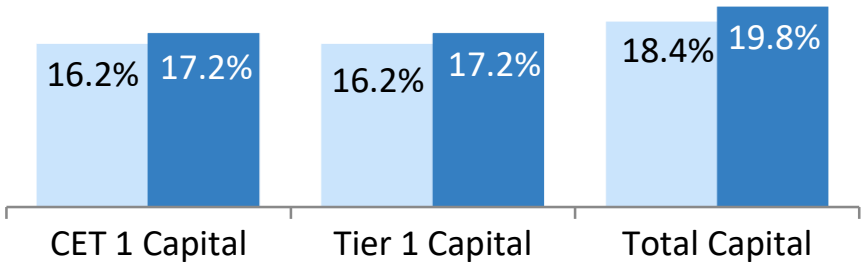
*Figures in RM' million

■ FY 2020

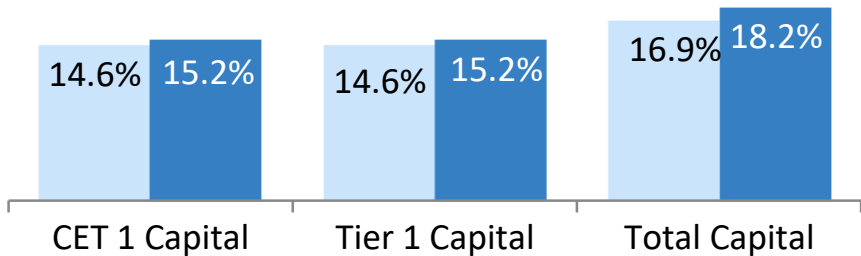
■ FY 2021

Capital position remained strong for the Group and key banking subsidiaries; lower ratios for IB mainly due to capital repayment to the Bank from disposal of RHB Securities Singapore

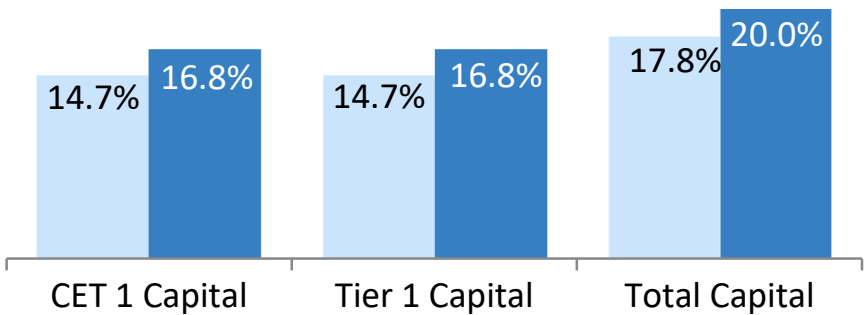
RHB Bank Group



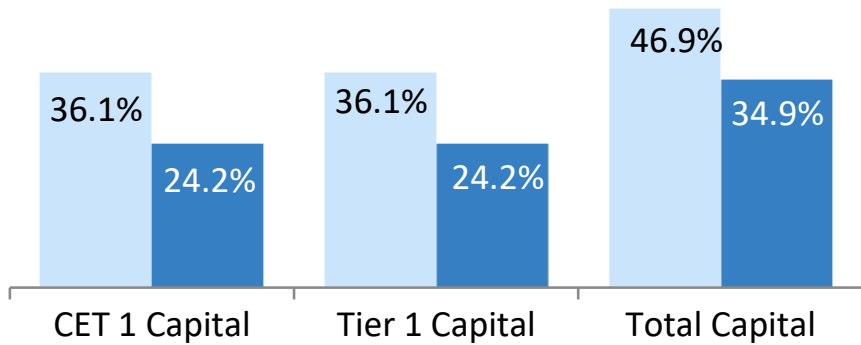
RHB Bank



RHB Islamic Bank



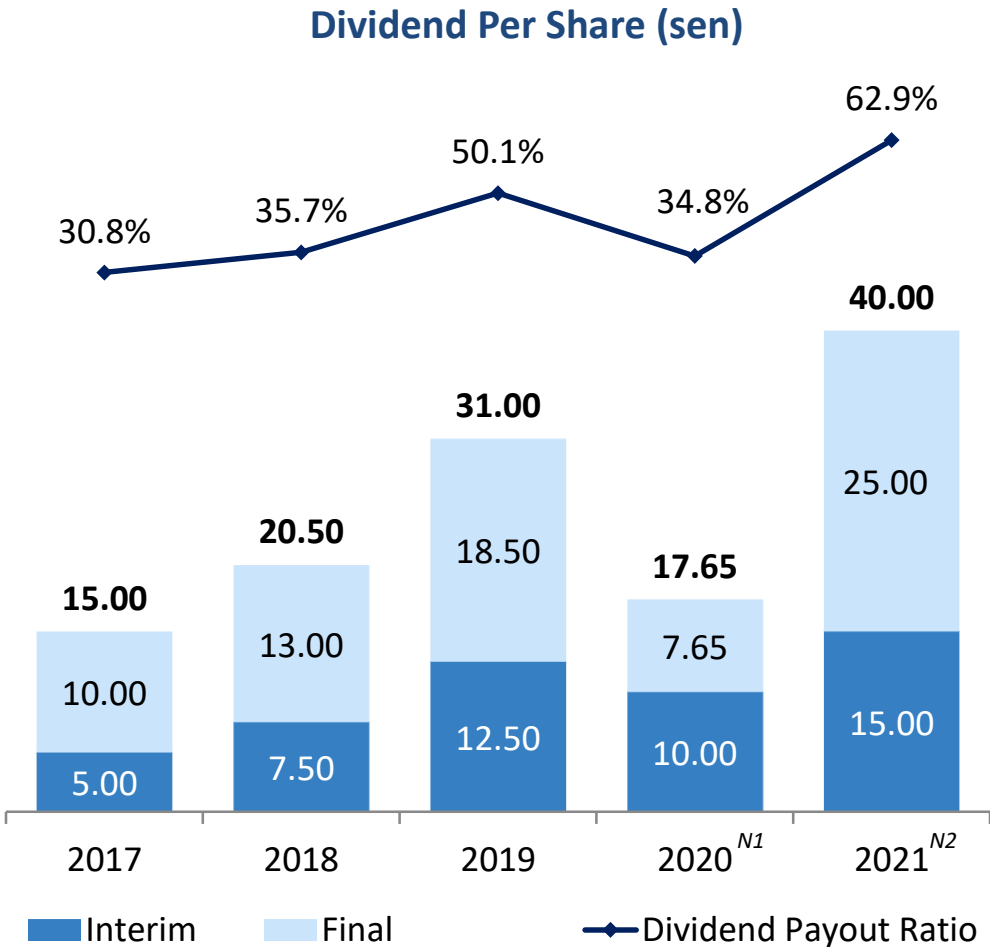
RHB Investment Bank



Dec 2020

Dec 2021





N1 2020 Dividend: With DRP of 87.65% for final dividend, net payout ratio for FY2020 was 21.6%
N2 2021 Final Dividend: comprises of cash payout of 15 sen per share and an electable portion under DRP of 10 sen per share

Dividend Policy
Minimum dividend payout ratio of 30% of net profit



3

Strategy Update

Fund Our Journey

| | |
|-----------------|--|
| Affluent | <ul style="list-style-type: none"> Premier Banking customers decreased to 75.6k (-4.8% from Dec 2020), of which 36.2% are SME owners Total AUM of Premier customers grew to RM42.9 bil (+7.6% from Dec 2020) Affluent fee income grew to RM211.4 mil (+34.0% from Dec 2020) |
| SME | <ul style="list-style-type: none"> Deposits increased to RM28.7 bil (+14.6% from Dec 2020) Loans grew to RM24.5 bil (+11.2% from Dec 2020) Total SME customers grew to 211,686 (+1.7% from Dec 2020), of which 12.4% are borrowing customers |
| Large Cap | <ul style="list-style-type: none"> 45.1% share of wallet in fee income of large-cap companies Penetration rate of large cap companies increased to 85.7% |
| Mid Cap | <ul style="list-style-type: none"> 30.8% share of wallet in fee income of mid-cap companies Penetration rate of mid-cap companies increased to 72.3% |
| Retail Deposits | <ul style="list-style-type: none"> Retail deposits grew to RM72.1 bil (+8.1% from Dec 2020), growth ahead of industry (+4.9%) Retail CASA grew to RM23.5 bil (+13.5% from Dec 2020) Retail LDR improved to 138% (-4% from Dec 2020) |
| Singapore | <ul style="list-style-type: none"> SME loans grew to SGD2,344 mil (+28.9% from Dec 2020) and Corporate loans increased to SGD2,700 mil (+10.8% from Dec 2020) 64% of Corporate and 50% of Commercial loans exposure are secured |
| Cambodia | <ul style="list-style-type: none"> Total loans grew to USD679.2 mil (+16.1% from Dec 2020) |

Invest to Win

Analytics and Big Data

- Continued to drive business performance via analytics with RM185.0 mil of benefits realised as at Dec 2021
- Increased analytics use cases for 2021, e.g. identifying suitable customers for flexible lending offers, improving conversion rates for financing products and enhance SME customer targeting to improve RHB reflex usage

Digital

- More than 1 million customers on-boarded to the RHB Mobile Banking app (+49.7% from Dec 2020)
- Digital transaction has increased to 85% (76% in Dec 2020)
- Introduced the new RHB Online Banking to complement RHB's existing Mobile Banking App
- Introduced the goWave mobile app in RHB Cambodia
- Further improved customers' digital journey through remote interviews in the SME Financing App
- Responded to the need for remote customer servicing with electronic signature

Transform the Organisation

Ecosystems

- Total Reflex customers grew to 133,927 (+13.6% from Dec 2020)
- Total eSolutions customers grew to 13,801 (+41.3% from Dec 2020)
- SME Online Financing received a total of 3,971 applications as at Dec 2021, with a 34.8% approval rate. Total loans increased to RM839.87 mil (+147% from Dec 2020)
- RHB MyHome acceptance against total Direct Sales Mortgage acceptance increased to 55.8% (up from 39.5% in Dec 2020)
- Contribution of leads from the RHB Partners App increased to 83.3% (up from 68.8% in Dec 2020)

AGILE

- 11,518 staff working under Agile (From 4,377 in Dec 2020)
- 192 MVPs released as at Dec 2021 from Group Community Banking, Group Transaction Banking, Group Wholesale Banking Banking and Group Shariah Banking

4

Sustainability Update

Sustainable & Responsible Banking

- **RM5 bil Green Financing Commitment by 2025** - RM4.32 bil as at Dec-21; 20.7% for renewable energy projects
 - Increased RM1.21 bil @ 38.9% since Dec-20 (RM3.11 bil as at Dec-20)
- Launched **Sustainable Financing Programme for SMEs and Retail customers** – a product bundle comprising Green Energy, Green Buildings, Green Process and Green Products. As at Dec-21 a total of RM44.36 mil was extended
- As at Dec-21, Insurance have sold 730 policies (Motor Saver - 65 policies and Hybrid Car - 665 policies)
- Four (4) ESG SRI-qualified Funds launched in 2021 with total AUM of RM836.0 mil as at Dec-21
 - Latest fund launched: **RHB Asia Sustainable Leaders Fund** in Sept-21 and is managed by RHB Asset Management Pte. Ltd Singapore
- Structured and executed Malaysia's first **Green Cross Currency Interest Rate Swap transaction** set against ESG-linked KPIs to hedge a USD100 million two year sustainable loan

Strengthening Our ESG Practices

- Board approved **RHB Banking Group's 5-year (2022-2026) Sustainability Strategy** which forms part of the Group's Long Term Corporate Strategy (2022 – 2026)
- Established Group Climate Action Programme to implement requirements under the BNM Climate Change and Principle-based Taxonomy, which calls on us to implement changes proactively towards building climate resilience

ESG Ratings

- Remained a constituent in the FTSE4Good Bursa Malaysia Index and maintained Top 25% by ESG Ratings among public-listed companies in FTSE Bursa Malaysia EMAS
- Scored 47/100 in the 2021 S&P Global CSA; an improvement of 4 points over the last one year
- Maintained as AA rating (Leader) for MSCI ESG Ratings since September 2019



Summary & Outlook

Economic Outlook

- GDP expanded 3.6% in Q4 2021 (Q3 2021: -4.5%) whilst 2021 GDP grew by 3.1% (2020: -5.6%) from the improved economic activities following the easing of containment measures in Q4 2021
- Malaysia's GDP is projected to improve further to 5.5% whilst loans growth projected at 5.2% in 2022

Income & Cost Mangement

- Net fund based income – OPR expected to normalise gradually towards the latter part of this year
- Non-fund based income
 - Monitor timing and right opportunity to build FVOCI portfolio
 - Focus on wealth management fee income
- Continue with cost discipline; CIR expected to be $\leq 45.0\%$

Loans & Deposits

- Mortgage, auto finance, SME and Singapore maintained as the key drivers for loans growth
- Grow good quality deposits, keep healthy CASA composition

Asset Quality

- Focus on facilitating our vulnerable borrowers in their transition to normal repayment
- Remain prudent - maintain credit discipline and intensify recovery and collection efforts

Capital & Liquidity

- Priority is to preserve liquidity strength and remain among the best capitalised banks in Malaysia
- Continue to exercise balance sheet discipline in growing assets
- While risks on economic recovery remain and could have an impact on capital ratios, we expect the level to be well above our internal targets and the minimum regulatory requirement

| Top Level Indicators | Actual FY2021 | Target FY2022 |
|----------------------------|---------------|----------------------------|
| ROE | 9.6% | 8.5% [10.0%] ^{N1} |
| Loans Growth | 6.7% | 4%-5% |
| CASA Composition | 30.0% | 30.0% |
| Gross Impaired Loans Ratio | 1.49% | ≤1.70% |
| Cost-to-Income Ratio | 45.2% | ≤45.0% |

N1 Normalised for Prosperity Tax (“Cukai Makmur”)

- The Group exhibited resilience as it navigated through challenges amid continued uncertainty in the operating environment
- Continue to reward our shareholders with a final dividend of 25 sen per share, representing 62.9% payout for FY2021, highest ever payout for the Group to-date
- Notwithstanding the expectation of economic recovery, the Group will remain prudent and continue to monitor market development closely
- The Group will continue to be vigilant and focus on improving business performance through digitalisation, enhancing customer experience and enterprise risk management as well as driving the sustainability agenda

THANK YOU

www.rhbgroup.com

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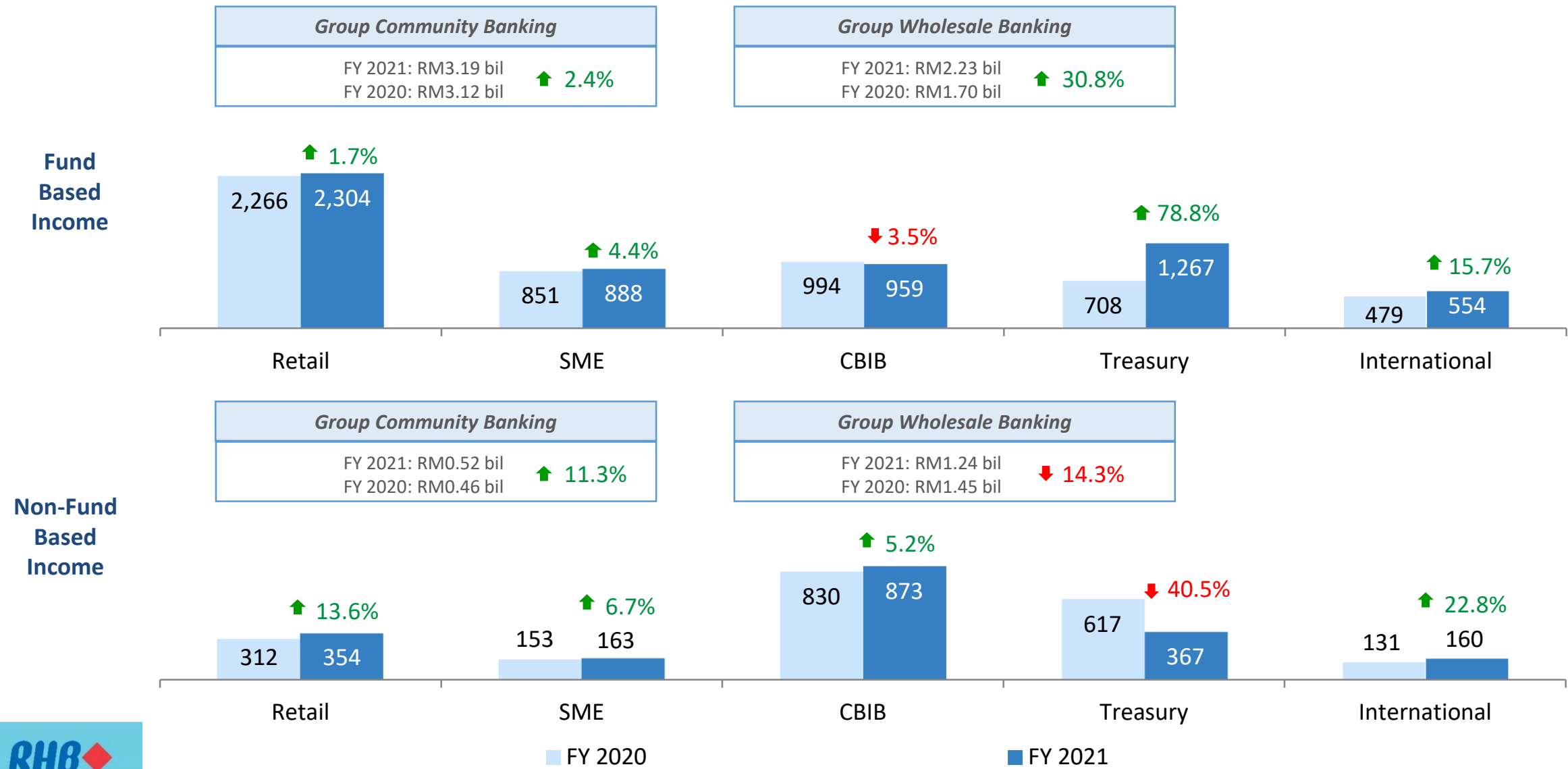
Appendix

| Financial Data RM'mil | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Income Statement | | | | | |
| Total Income | 6,384 | 6,806 | 7,058 | 7,186 | 7,789 |
| Pre-Provisioning Operating Profit | 3,200 | 3,448 | 3,670 | 3,799 | 4,266 |
| Profit Before Tax | 2,558 | 3,119 | 3,394 | 2,644 | 3,529 |
| Net Profit | 1,950 | 2,305 | 2,482 | 2,033 | 2,618 |
| Balance Sheet | | | | | |
| Total Assets | 228,713 | 243,166 | 257,592 | 271,150 | 289,541 |
| Gross Loans | 160,026 | 168,879 | 176,175 | 186,114 | 198,512 |
| Customer Deposits | 166,865 | 178,856 | 190,555 | 203,471 | 218,733 |
| Shareholders' Equity | 21,667 | 23,358 | 25,775 | 27,024 | 27,998 |
| Per Share | | | | | |
| Earnings (sen) | 48.6 | 57.5 | 61.9 | 50.7 | 64.7 |
| Net Assets (RM) | 5.40 | 5.82 | 6.43 | 6.74 | 6.76 |
| Dividend (sen) | 15.00 | 20.50 | 31.00 | 17.65 | 40.00* |

* After proposed final dividend

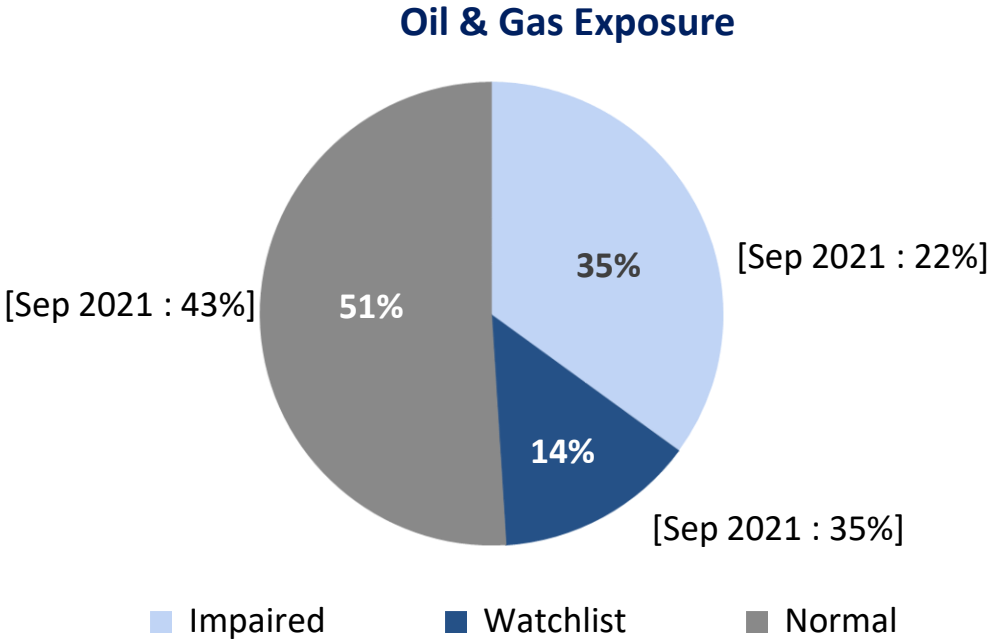
| Financial Ratios | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--------|--------|--------|--------|--------|
| Profitability | | | | | |
| Return on Equity | 9.1% | 10.3% | 10.3% | 7.7% | 9.6% |
| Net Interest Margin * | 2.18% | 2.24% | 2.12% | 2.06% | 2.14% |
| Cost to Income Ratio | 49.9% | 49.3% | 48.0% | 47.1% | 45.2% |
| Asset Quality | | | | | |
| Gross Impaired Loan Ratio | 2.23% | 2.06% | 1.97% | 1.71% | 1.49% |
| Credit Cost | 0.27% | 0.19% | 0.18% | 0.58% | 0.29% |
| Loan Loss Coverage Ratio (excl. Reg. Reserves) | 79.9% | 93.3% | 85.7% | 119.7% | 122.4% |
| Loan Loss Coverage Ratio (incl. Reg. Reserves) | 102.8% | 103.0% | 107.9% | 119.7% | 124.2% |
| Liquidity | | | | | |
| Loan to Deposit Ratio | 96.0% | 94.4% | 92.5% | 91.5% | 90.8% |
| CASA Ratio | 30.2% | 25.9% | 25.7% | 30.9% | 30.0% |
| Liquidity Coverage Ratio | 117.5% | 143.0% | 152.7% | 146.9% | 155.7% |
| Capital Adequacy | | | | | |
| Common Equity Tier I Capital Ratio | 13.9% | 15.5% | 16.3% | 16.2% | 17.2% |
| Tier I Capital Ratio | 14.2% | 15.7% | 16.3% | 16.2% | 17.2% |
| Total Capital Ratio | 17.2% | 18.8% | 18.6% | 18.4% | 19.8% |

* NIM without ML impact

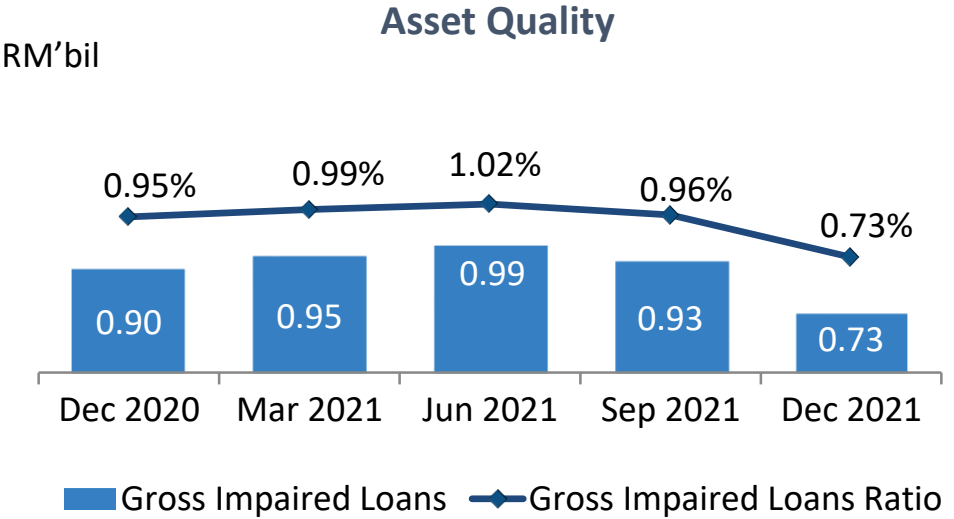
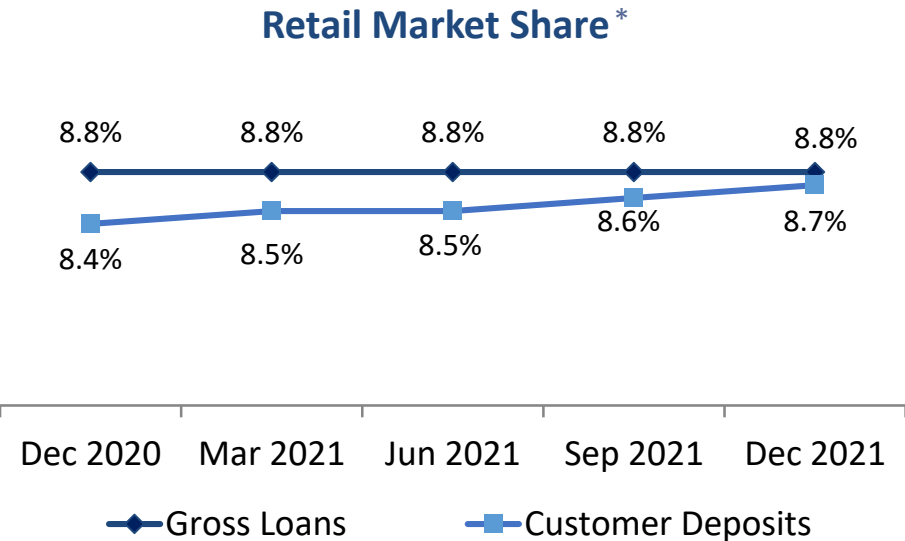
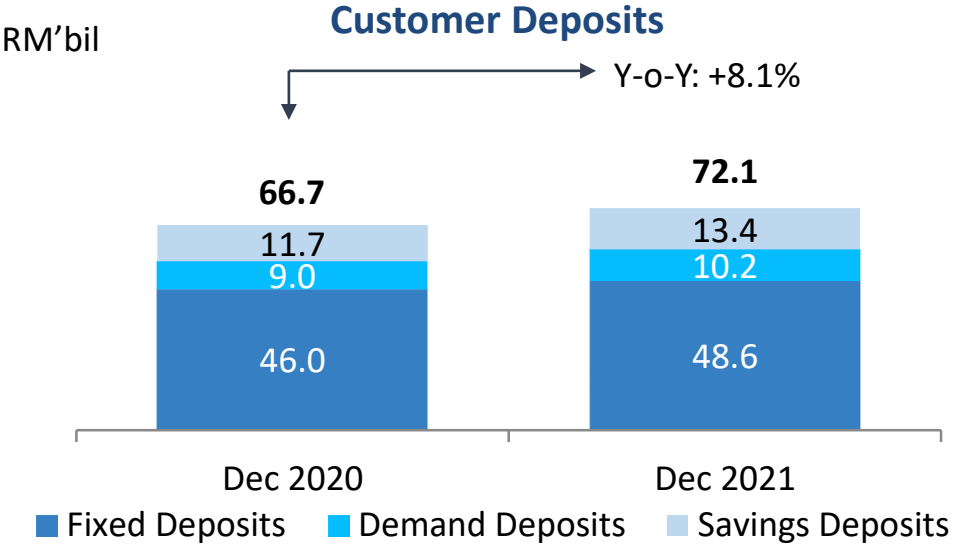
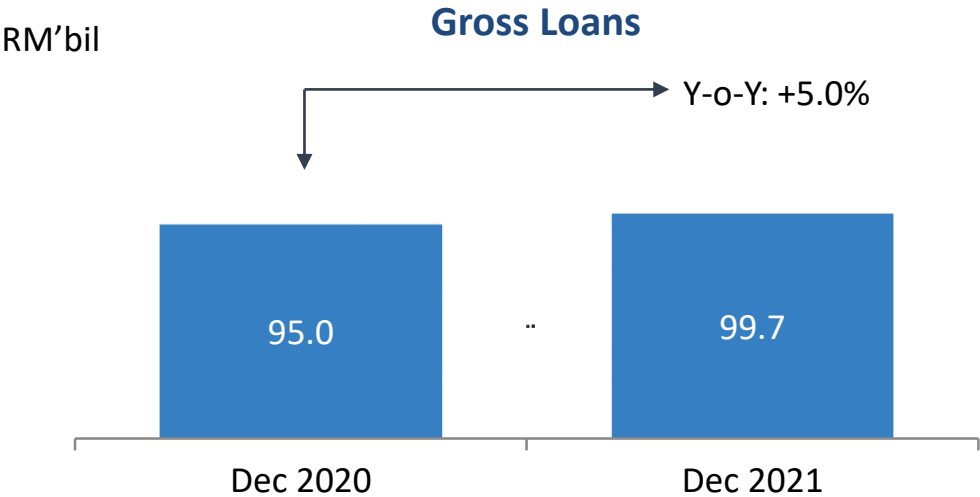


*Figures in RM' million

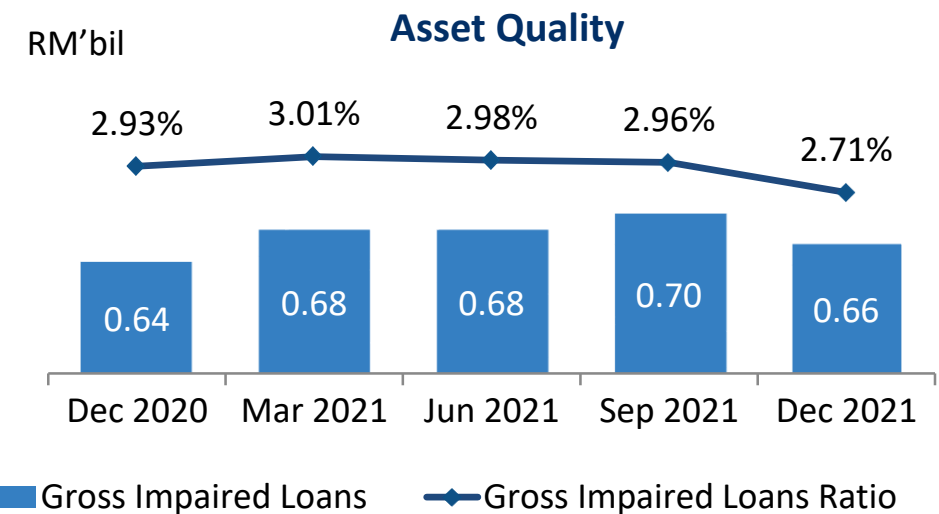
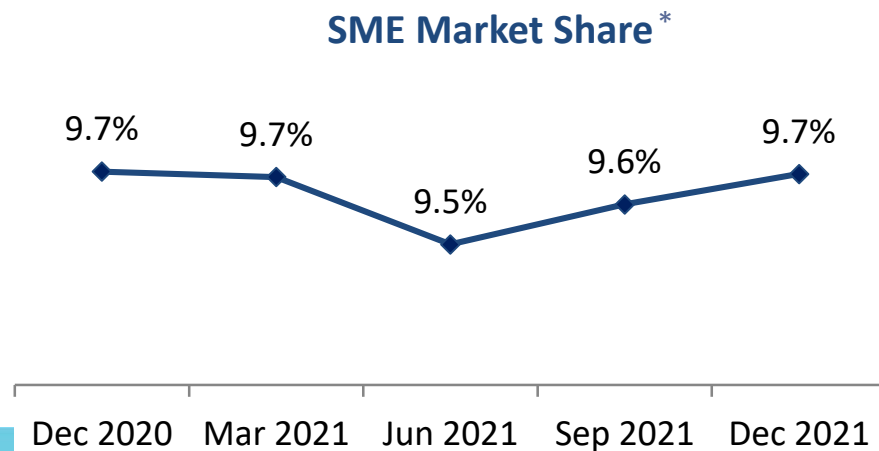
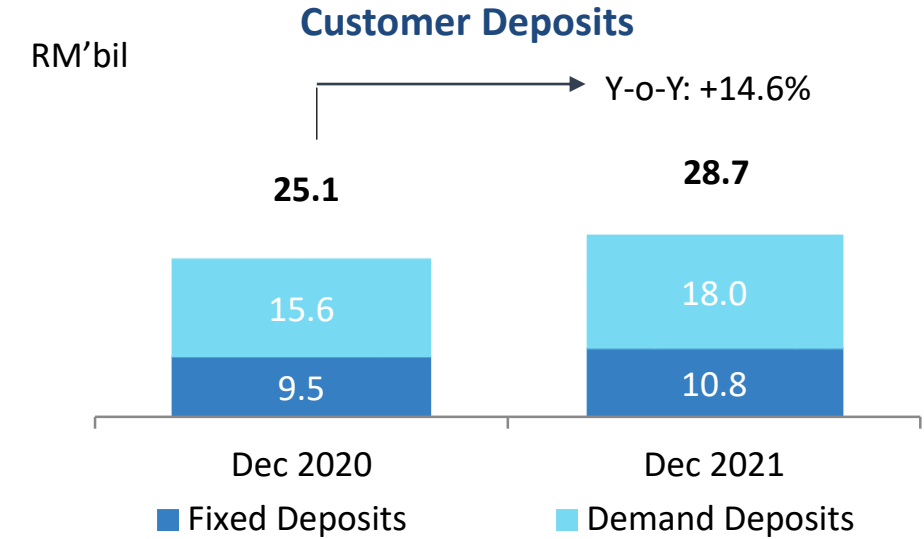
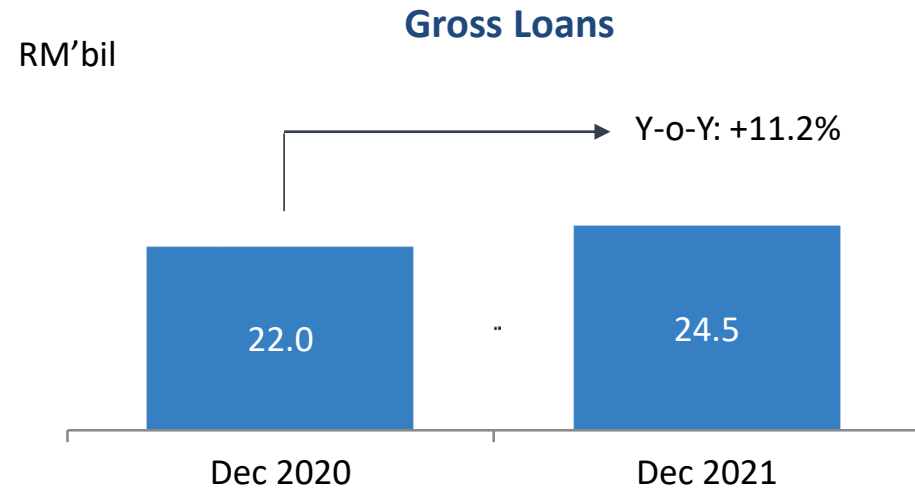
| Loans + Bonds Outstanding | Oil and Gas Related Industry | | | | | |
|---------------------------|------------------------------|------------------|------------|------------------|--------|------------------|
| | Upstream | | Downstream | | Total | |
| | RM'bil | % to Gross Loans | RM'bil | % to Gross Loans | RM'bil | % to Gross Loans |
| Dec 2021 | 2.3 | 1.2% | 1.4 | 0.7% | 3.7 | 1.9% |
| Dec 2020 | 2.8 | 1.5% | 1.0 | 0.5% | 3.8 | 2.0% |
| Dec 2019 | 2.5 | 1.4% | 1.6 | 1.0% | 4.2 | 2.4% |
| Dec 2018 | 3.3 | 1.9% | 1.5 | 0.9% | 4.8 | 2.8% |



| Country | % of Loans Outstanding |
|-----------|------------------------|
| Malaysia | 83% |
| Singapore | 17% |

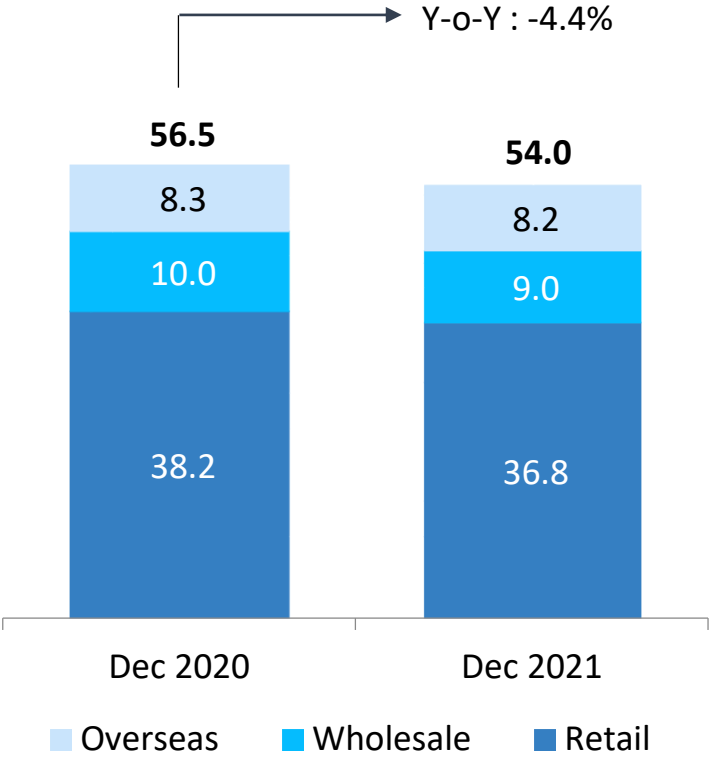


* % of Retail Loans / Deposits to total for industry (Household sector) as reported in BNM Statistics



RM'bil

Asset Under Management



Market Share

10.3%

9.5%



| FY 2021 | Market Share | Ranking |
|--|----------------|------------------------------------|
| Equities Broking: - By value - By volume | 8.9% 10.5% | 4 th 3 rd |
| Debt Capital Markets: - MYR sukuk - Total MYR bonds (Conventional & Islamic bonds) | 15.4% 14.9% | 3 rd 3 rd |
| Mergers & Acquisitions: - by value - by deal count | 35.2% 14 | 3 rd 1 st |
| Equity Capital Markets | 9.3% | 4 th |

CF/ECM



CTOS Digital Berhad
RM1.2 bil IPO
*Joint Principal Adviser, Joint Global Coordinator,
Joint Bookrunner, Joint Managing Underwriter &
Joint Underwriter*



AirAsia Group Berhad
RM975.0 mil Rights Issue
Principal Adviser & Joint Underwriter



Mr D.I.Y Group (M) Berhad
RM846.3 mil Placement
Joint Placement Agent

DCM



Malaysian Resources Corporation Berhad
Third issuance of RM600.0 mil via its
RM5.0 bil Sukuk Murabahah Programme
Sole Lead Manager


Malaysia Airports Holdings Berhad
First issuance of Senior Sukuk Wakalah RM800.0 mil via its
RM5.0 bil Sukuk Wakalah Programme
Joint Lead Manager



Perbadanan PR1MA Malaysia
Third issuance of RM500.0 mil via its
RM5.0 bil Sukuk Murabahah Programme
Joint Lead Manager

M&A



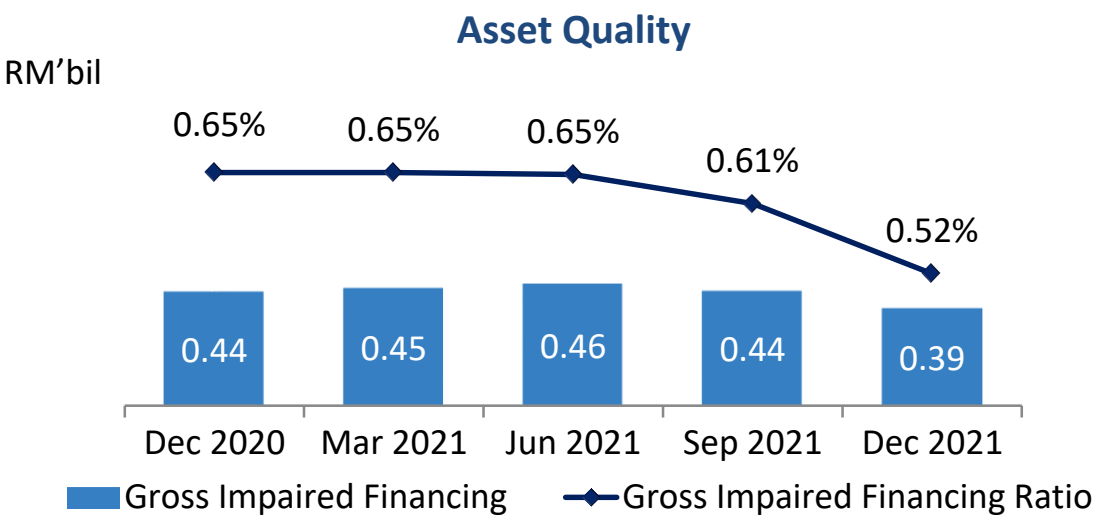
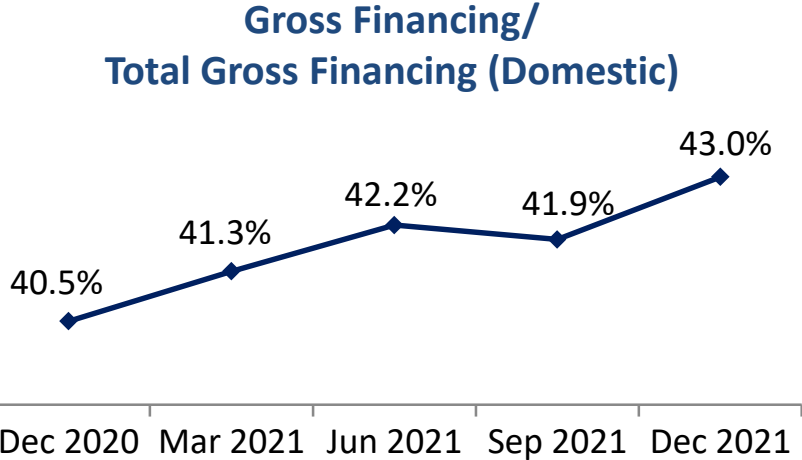
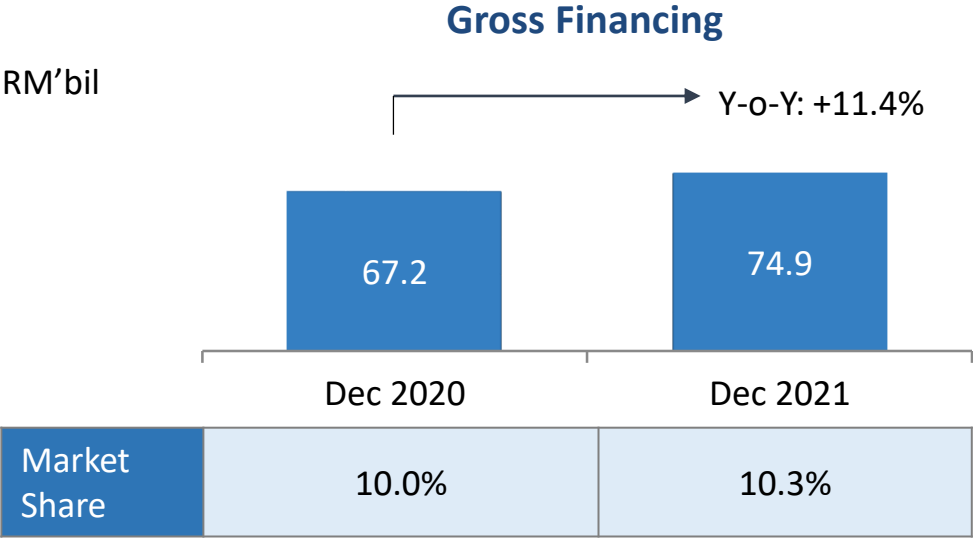
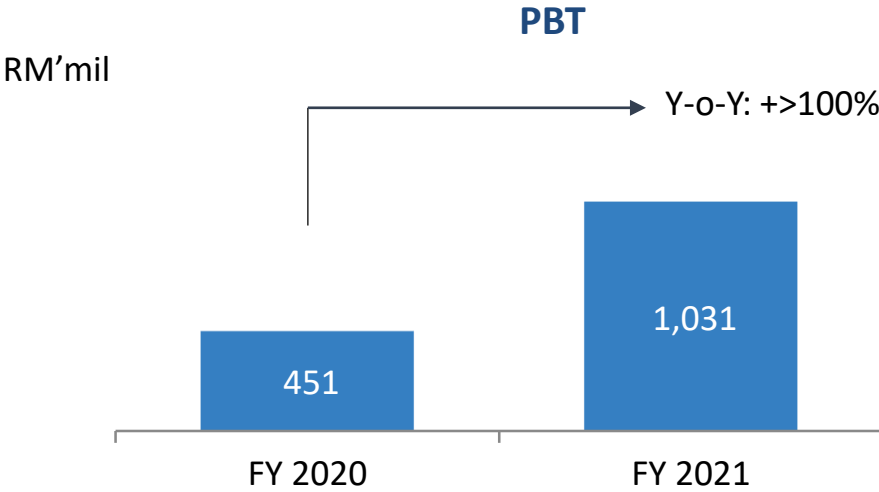
MMC Corporation Berhad
RM2,937.9 mil
Seaport Terminal (Johor) Sdn Bhd's proposed privatisation of
MMC Corporation Berhad by way of a selective capital
reduction and repayment exercise
*Principal Adviser, Lead Transaction Manager & Joint Lead
Arranger*

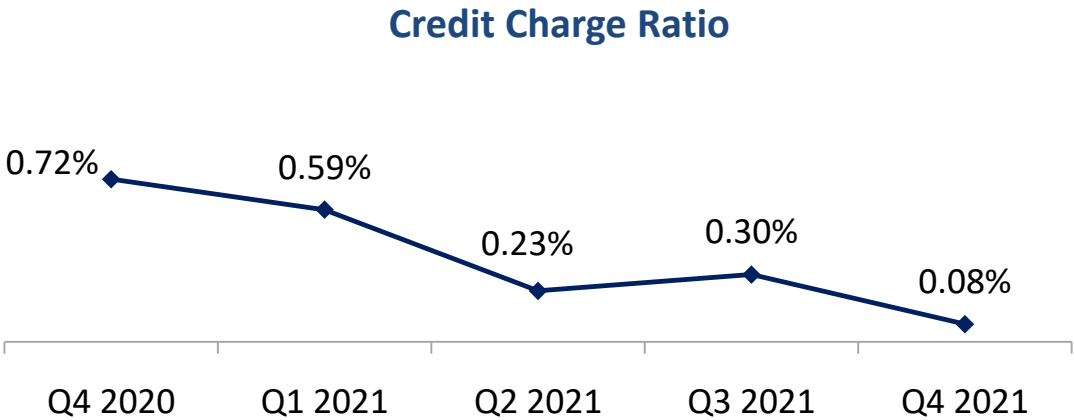
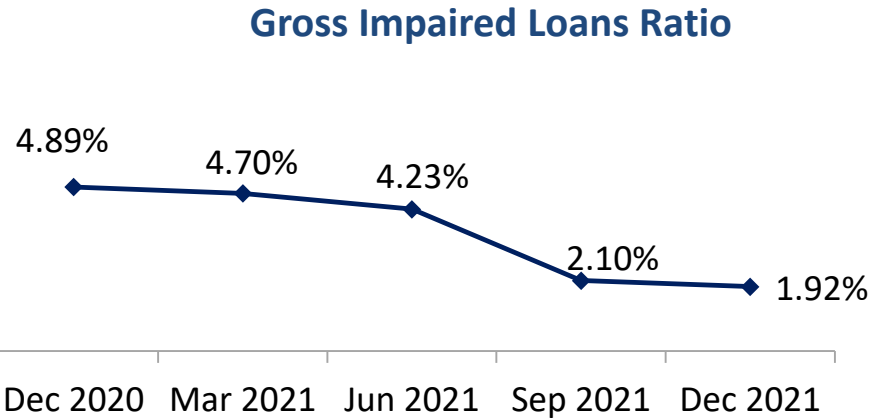
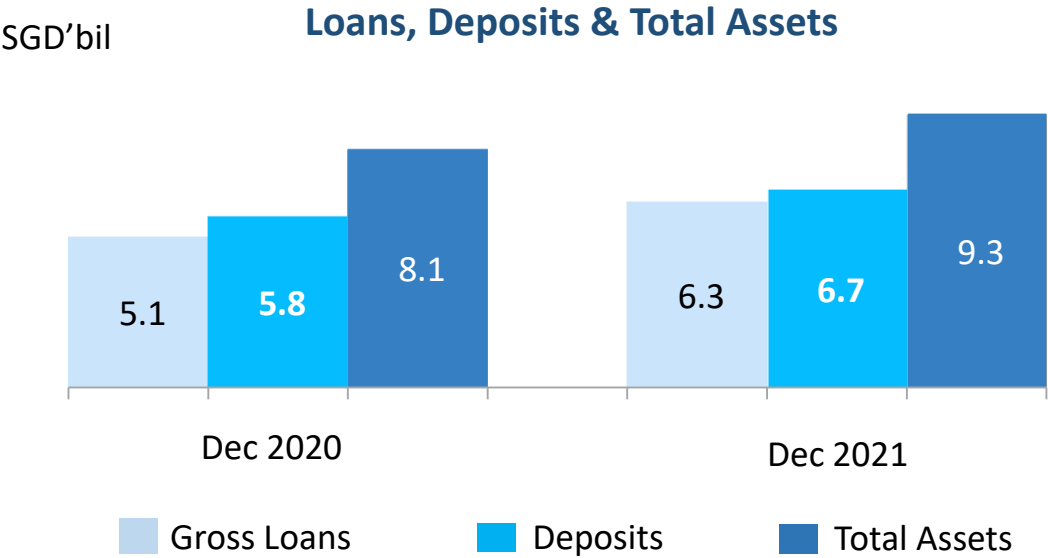
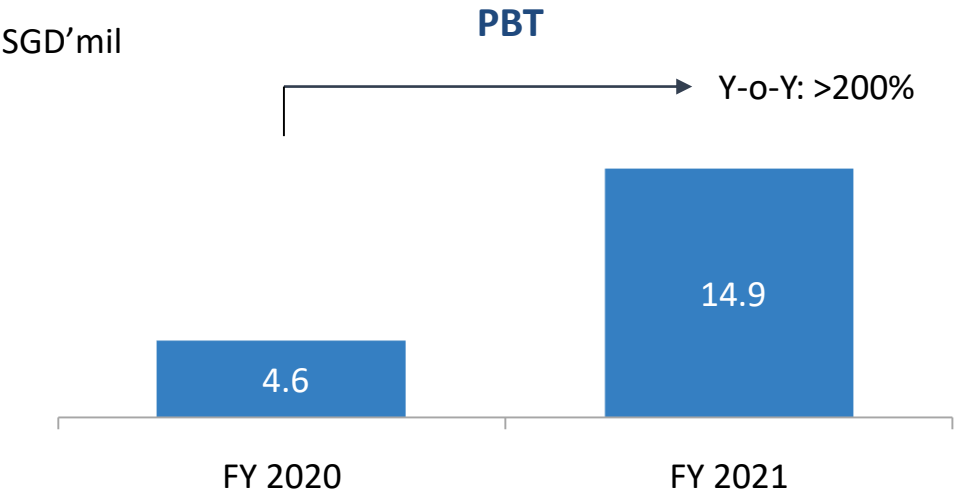


Amcorp Properties Berhad
RM237.1 mil
Propose selective capital reduction and repayment
exercise of AMPROP pursuant to Section 116 of the
Companies Act 2016.
Principal Adviser



AirAsia Group Berhad
RM103.0 mil
Proposed acquisition of BIGLIFE Shares, representing 20.00%
equity interest in BIGLIFE, not already held by AirAsia Digital Sdn
Bhd
Principal Adviser





| RM'mil | Dec 2020 | Sep 2021 | Dec 2021 | Q-o-Q | Y-o-Y |
|----------------------------|---------------|---------------|---------------|-------------|--------------|
| Overseas Operations | 20,017 | 24,174 | 24,433 | 1.1% | 22.1% |
| Singapore | 15,568 | 19,370 | 19,446 | 0.4% | 24.9% |
| Others | 4,449 | 4,804 | 4,987 | 3.8% | 12.1% |
| Cambodia | 2,353 | 2,709 | 2,829 | 4.4% | 20.2% |
| Thailand | 1,574 | 1,667 | 1,721 | 3.2% | 9.3% |
| Brunei | 173 | 185 | 184 | -0.5% | 6.4% |
| Indonesia | 189 | 97 | 131 | 35.1% | -30.7% |
| Laos | 160 | 146 | 119 | -18.5% | -25.6% |
| Vietnam | - | - | 3 | - | - |