

RHB BANK BERHAD

Analysts Presentation

9M 2021 Financial Results

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30 November 2021



Agenda

1. Executive Summary
2. 9M 2021 Financial Results
3. Strategy Update
4. Sustainability Update
5. Summary and Outlook



Executive Summary

- Domestic outstanding RA increased marginally from 28% as at early-August 2021 to 31% as at 10th November 2021
- The increase was observed across all segments, whilst Commercial recorded an improvement by RM0.5 bil contributed by borrowers who have exited the programme and resumed their repayments

% of Outstanding Loan Balance	Outstanding RA as at:				
	Early-Aug 2021		10 th Nov 2021		
	RM bil	%	No of accounts	RM bil	%
GROUP COMMUNITY BANKING	40.0	34%	319,592	44.6	37%
Retail	30.4	32%	305,268	33.9	35%
<i>of which:</i>					
Mortgage	20.2	31%	74,372	23.0	34%
Unsecured Business	3.9	42%	123,814	4.0	44%
Auto Finance	2.9	32%	72,698	3.1	34%
Securities	2.0	26%	30,790	2.2	29%
SME	9.6	42%	14,324	10.7	45%
GROUP WHOLESALE BANKING	7.0	14%	354	7.4	15%
Corporate	3.8	9%	59	4.7	11%
Commercial	3.2	46%	295	2.7	39%
TOTAL DOMESTIC	47.0	28%	319,946	52.0	31%

Analysis on outstanding RA by options

- For Retail, SME and Commercial, most of the borrowers opted for deferment of instalments whilst majority of Corporate borrowers are under R&R / reduction in instalments:

% of Outstanding RA (10 th Nov 2021)				
RA by options	Retail	SME	Corporate	Commercial
Reduction in instalments	1%	29%	83%	12%
Deferment of instalments	99%	71%	17%	88%

Analysis on outstanding RA by risk profile

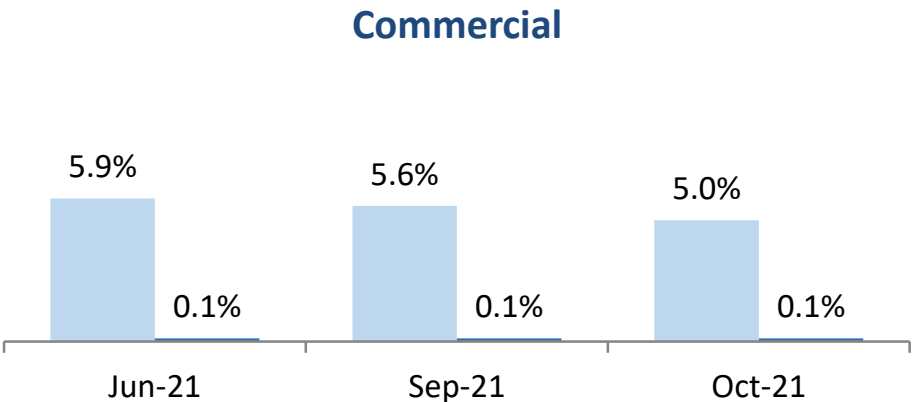
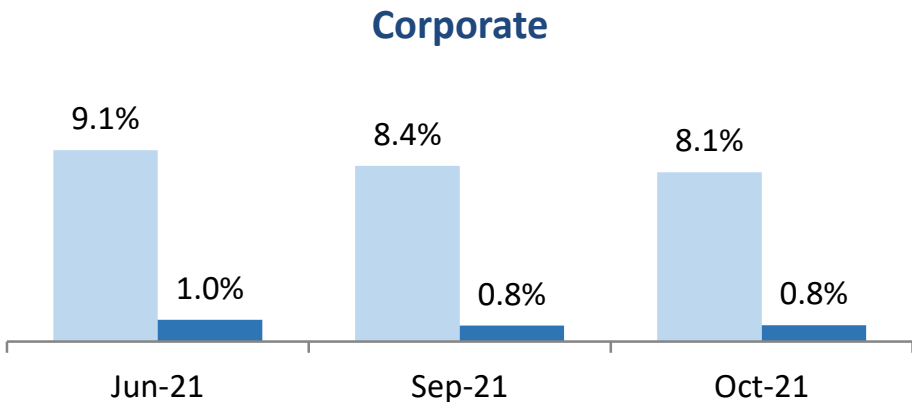
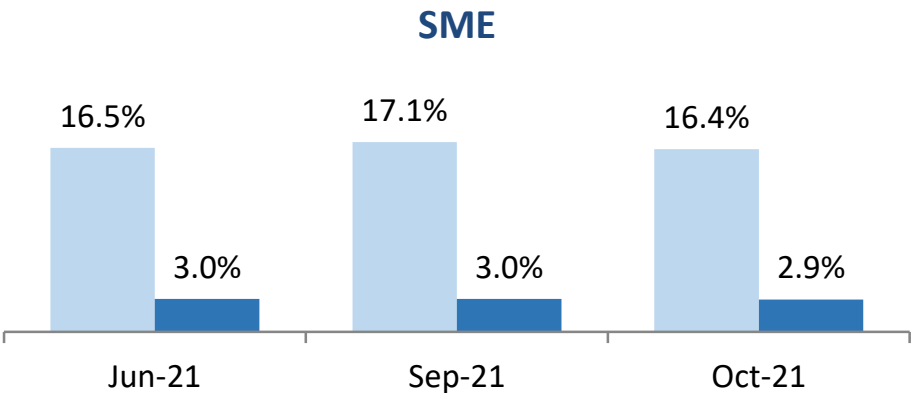
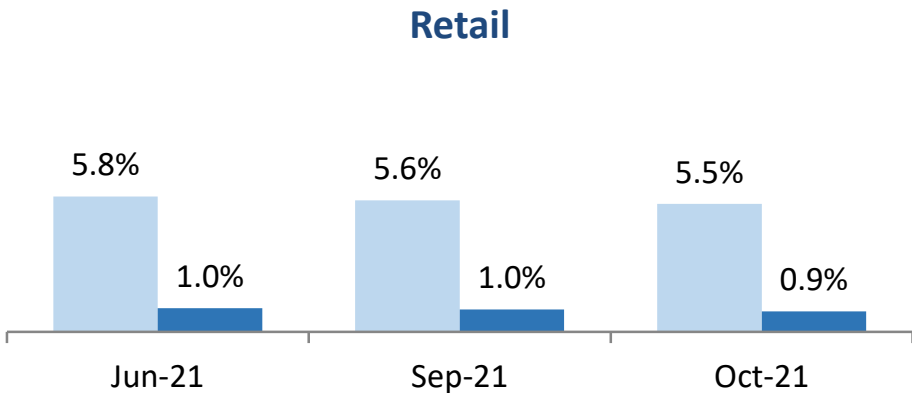
- Based on the following risk profile analysis, most of the borrowers continue to be under “Low” risk category
- As at 10th November 2021, “High” risk constitutes only 3% of Retail borrowers and ranges between 9%-29% for Non-Retail

% of Outstanding RA (Early-Aug 2021)				
Risk Category	Retail	SME	Corporate	Commercial
Low	82%	71%	64%	91%
Medium	15%	-	-	-
High	3%	29%	36%	9%
	100%	100%	100%	100%

% of Outstanding RA (10 th Nov 2021)			
Retail	SME	Corporate	Commercial
81%	72%	71%	91%
16%	-	-	-
3%	28%	29%	9%
100%	100%	100%	100%

Analysis on Total Loans by Stage 2 and 3

- Stage 2 loans for all segments showed improvement between June and October 2021
- Stage 3 loans remained benign across all segments



Profitability

Q3 2021 (Year-on-year)

- **Net fund based income** grew 20.4% Y-o-Y to RM1,491.9 million from higher gross fund based income and lower funding cost
- **Non-fund based income** grew 5.2% Y-o-Y to RM621.1 million mainly from higher net trading and investment income, insurance underwriting surplus and capital market fee income
- **Total income** grew 6.1% Y-o-Y to RM1,940.9 million (normalised¹: 15.5% Y-o-Y to RM2,113.0 million)
- **Operating expenses** rose marginally by 1.0% Y-o-Y to RM862.4 million
- **Operating profit before allowances** increased 10.5% Y-o-Y to RM1,078.6 million (normalised¹: 28.1% Y-o-Y to RM1,250.7 million)
- **Allowances for ECL** increased by 33.9% Y-o-Y to RM249.8 million, which included overlay of RM234 million
- **Net profit** grew 2.2% Y-o-Y from RM622.2 million in Q3 2020 to RM635.6 million in Q3 2021 (normalised¹: net profit further improved by 33.5% to RM766.4 million)

Profitability

9M 2021 (Year-on-year)

- **Net fund based income** grew 16.2% Y-o-Y to RM4,340.8 million mainly due to proactive funding cost management
- **Non-fund based income** dipped 2.0% Y-o-Y to RM1,737.9 million mainly from lower 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 14.7% Y-o-Y to RM5,869.4 million (normalised¹: 10.3% Y-o-Y to RM6,078.7 million)
- **Operating expenses** rose by 4.6% Y-o-Y to RM2,611.9 million. With positive JAWS, CIR further improved to 44.5% compared with 48.8% a year ago (normalised¹ CIR: 43.0% in 9M 2021 and 45.3% in 9M 2020)
- **Operating profit before allowances** increased 24.3% Y-o-Y to RM3,257.4 million (normalised¹: 15.1% Y-o-Y to RM3,466.7 million)
- **Allowances for ECL** increased by 20.4% Y-o-Y to RM650.9 million, which included total overlay of RM564 million. Credit cost at 0.45% (9M 2020: 0.39%)
- **Net profit** grew 24.7% Y-o-Y to RM1,987.2 million from RM1,593.9 million in 9M 2020 (normalised¹: 15.6% Y-o-Y to RM2,146.3 million)
- **ROE** at 9.7% (9M 2020: 8.0%). On a normalised¹ basis, ROE at 10.3% (9M 2020: 9.3%)

Assets and Liabilities

- **Gross loans and financing**
 - Expanded 1.9% Q-o-Q to RM194.6 billion attributed to growth in mortgage, SME, Corporate, Commercial and Singapore (Domestic loans growth Q-o-Q: +1.6%)
 - Expanded 4.6% YTD attributed to growth in mortgage, SME, Commercial and Singapore
 - Domestic loans expanded 2.6% YTD, exceeding industry growth
- **Customer deposits**
 - Contracted marginally by 0.7% Q-o-Q to RM214.0 billion from lower MMTD (-13.1%), despite higher CASA (+2.3%)
 - Increased 5.2% YTD supported by growth in FD and MMTD (+6.6%) and CASA (+2.8%)
 - CASA made up 30.1% of total deposits (29.3% in Q2 2021; 30.9% in Q4 2020)
- **Gross impaired loans (GIL) ratio** improved to 1.32% (1.63% in Q2 2021; 1.71% in Q4 2020)
- **LLC excluding regulatory reserve** further strengthened to 147.9% (124.1% in Q2 2021; 119.7% in Q4 2020)

Capital and Liquidity

Strong capital and liquidity position

- Group CET 1 ratio at 16.8% (16.8% in Q2 2021; 16.2% in Q4 2020) and total capital ratio at 19.4% (19.3% in Q2 2021; 18.4% in Q4 2020)
- Bank entity CET 1 ratio at 15.7% (15.8% in Q2 2021; 14.6% in Q4 2020) and total capital ratio at 18.5% (18.6% in Q2 2021; 16.9% in Q4 2020)
- Healthy liquidity coverage ratio of 138.0% (141.8 % in Q2 2021; 146.9% in Q4 2020)

Top Level Indicators	Target FY2021	Actual 9M 2021
ROE	9.0%	9.7% [10.3%] ^{N1}
Annualised Loans Growth	4%-5%	6.1%
CASA Composition	30.0%	30.1%
Gross Impaired Loans Ratio	<2.00%	1.32%
Cost-to-Income Ratio	≤46.5%	44.5% [43.0%] ^{N1}

^{N1} Excluding modification loss


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9M 2021 Financial Results


Resilient 9M 2021 performance driven by higher net fund based income; Maintained positive JAWS; Uptick in credit charge ratio

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Financial Results ^{N1}

Total Income
 **+10.3%**

9M 2021: RM6.08 bil
 9M 2020: RM5.51 bil

Operating Profit Before Allowances
 **+15.1%**

9M 2021: RM3.47 bil
 9M 2020: RM3.01 bil


Profit Before Tax
 **+14.3%**

9M 2021: RM2.82 bil
 9M 2020: RM2.46 bil


Net Profit to Shareholders
 **+15.6%**

9M 2021: RM2.15 bil
 9M 2020: RM1.86 bil


Profitability Ratios ^{N1}

Return on Equity
 **+1.0%**

9M 2021: 10.3%
 9M 2020: 9.3%

Cost-to-Income Ratio
 **-2.3%**

9M 2021: 43.0%
 9M 2020: 45.3%


Non-Fund Based/ Total Income
 **-3.6%**

9M 2021: 28.6%
 9M 2020: 32.2%


Financial Position

Total Assets
 **+3.6%**

Sep 2021: RM280.9 bil
 Dec 2020: RM271.1 bil

Gross Loan
 **+4.6%**

Sep 2021: RM194.6 bil
 Dec 2020: RM186.1 bil


Customer Deposits
 **+5.2%**

Sep 2021: RM214.0 bil
 Dec 2020: RM203.5 bil

Shareholders' Equity
 **+3.1%**

Sep 2021: RM27.9 bil
 Dec 2020: RM27.0 bil


Asset Quality

Stage 2 Loans Ratio
 **-2.97%**

Sep 2021: 8.23%
 Dec 2020: 11.20%

Group GIL Ratio
 **-0.39%**


Sep 2021: 1.32%
 Dec 2020: 1.71%

Domestic GIL Ratio
 **-0.20%**

Sep 2021: 1.15%
 Dec 2020: 1.35%

CASA
 **+2.8%**


Sep 2021: RM64.5 bil
 Dec 2020: RM62.8 bil

CASA Ratio
 **-0.8%**


Sep 2021: 30.1%
 Dec 2020: 30.9%

Liquidity Coverage Ratio
 **-8.9%**

Sep 2021: 138.0%
 Dec 2020: 146.9%

Credit Charge Ratio
 **+0.06%**

9M 2021: 0.45%
 9M 2020: 0.39%

Loan Loss Coverage Ratio ^{N2}
 **+28.2%**

Sep 2021: 147.9%
 Dec 2020: 119.7%



^{N1} Financial Results & Profitability Ratios: Based on normalised results

^{N2} Loan Loss Coverage ratio excluding regulatory reserve

9M 2021 and Q3 profit grew Y-o-Y from higher net fund based income, mitigated by higher ECL;
Q3 profit declined Q-o-Q from ML impact and higher ECL

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RM' mil	Q3 2020	Q2 2021	Q3 2021	Q-o-Q	Y-o-Y	9M 2020	9M 2021	Y-o-Y
Net Fund Based Income	1,239.5	1,431.9	1,491.9	4.2%	20.4%	3,735.9	4,340.8	16.2%
Non-Fund Based Income	590.6	573.6	621.1	8.3%	5.2%	1,774.2	1,737.9	-2.0%
Modification Loss	-	-	-172.1	-	-	-392.4	-209.3	46.7%
Total Income	1,830.1	2,005.5	1,940.9	-3.2%	6.1%	5,117.7	5,869.4	14.7%
Operating Expenses	-853.7	-864.5	-862.4	0.2%	-1.0%	-2,497.3	-2,611.9	-4.6%
Operating Profit Before Allowances	976.4	1,141.0	1,078.6	-5.5%	10.5%	2,620.4	3,257.4	24.3%
Allowance for Credit Losses on Financial Assets	-186.5	-227.3	-249.8	-9.9%	-33.9%	-540.7	-650.9	-20.4%
Impairment Losses Made on Other Non-Financial Assets	-	-0.3	-	-	-	-9.5	-0.3	96.8%
Profit Before Taxation	789.9	913.4	828.8	-9.3%	4.9%	2,070.2	2,606.2	25.9%
Profit from Continuing Operations	575.8	703.5	637.8	-9.3%	10.8%	1,565.2	1,991.9	27.3%
Profit from Discontinued Operation	48.2	-	-	-	-	34.7	-	-
Net Profit for the Financial Period	624.0	703.5	637.8	-9.3%	2.2%	1,599.8	1,991.9	24.5%
Net Profit Attributable to Equity Holders	622.2	701.3	635.6	-9.4%	2.2%	1,593.9	1,987.2	24.7%
Earnings Per Share (sen)	15.5	17.5	15.6	-10.9%	0.6%	39.7	49.3	24.2%

Underlying performance of 9M 2021 aided by higher income but partly offset by higher ECL

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RM' mil	Q3 2020	Q2 2021	Q3 2021	Q-o-Q	Y-o-Y	9M 2020	9M 2021	Y-o-Y
Total Income	1,830.1	2,005.5	1,940.9	-3.2%	6.1%	5,117.7	5,869.4	14.7%
Add back: Modification Loss	-	-	172.1	-	-	392.4	209.3	46.7
Normalised¹ Total Income	1,830.1	2,005.5	2,113.0	5.4%	15.5%	5,510.1	6,078.7	10.3%
Operating Expenses	-853.7	-864.5	-862.4	0.2%	-1.0%	-2,497.3	-2,611.9	-4.6%
Operating Profit Before Allowances	976.4	1,141.0	1,078.6	-5.5%	10.5%	2,620.4	3,257.4	24.3%
Normalised¹ Op. Profit Before Allowances	976.4	1,141.0	1,250.7	9.6%	28.1%	3,012.8	3,466.7	15.1%
Allowance for Credit Losses on Financial Assets	-186.5	-227.3	-249.8	-9.9%	-33.9%	-540.7	-650.9	-20.4%
Impairment Losses Made on Other Non-Financial Assets	-	-0.3	-	-	-	-9.5	-0.3	96.8%
Profit Before Taxation	789.9	913.4	828.8	-9.3%	4.9%	2,070.2	2,606.2	25.9%
Normalised¹ Profit Before Taxation	789.9	913.4	1,000.9	9.6%	26.7%	2,462.6	2,815.5	14.3%
Net Profit	622.2	701.3	635.6	-9.4%	2.2%	1,593.9	1,987.2	24.7%
Normalised¹ Net Profit	574.0	701.3	766.4	9.3%	33.5%	1,857.4	2,146.3	15.6%
Cost-to-Income Ratio						48.8%	44.5%	4.3%
Normalised¹ Cost-to-Income Ratio						45.3%	43.0%	2.3%
ROE						8.0%	9.7%	1.7%
Normalised¹ ROE						9.3%	10.3%	1.0%

Note:

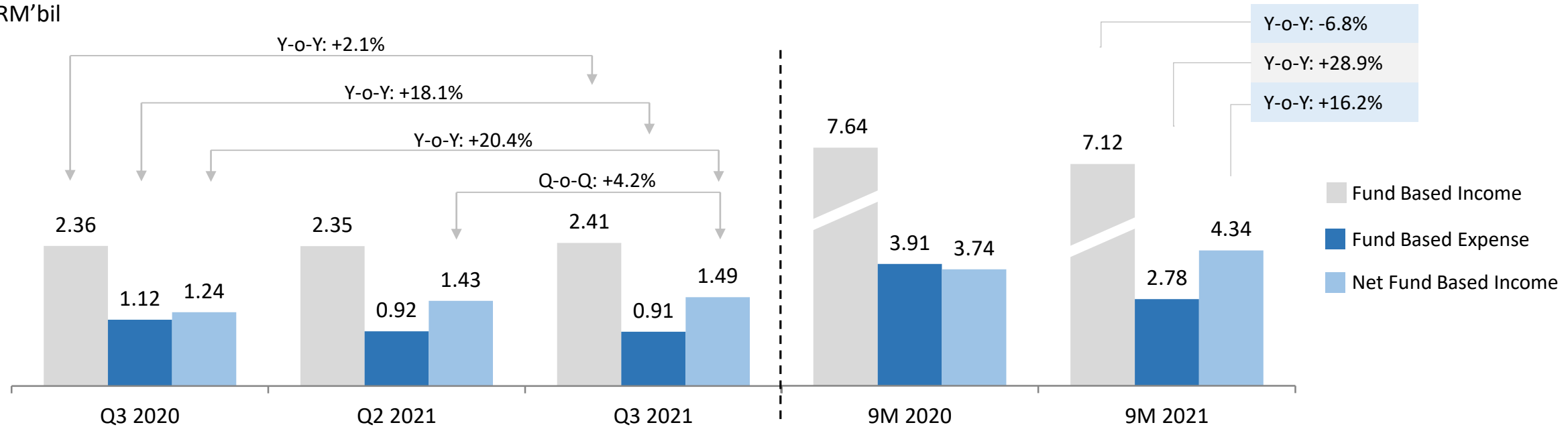
¹ Normalised = excluding modification loss



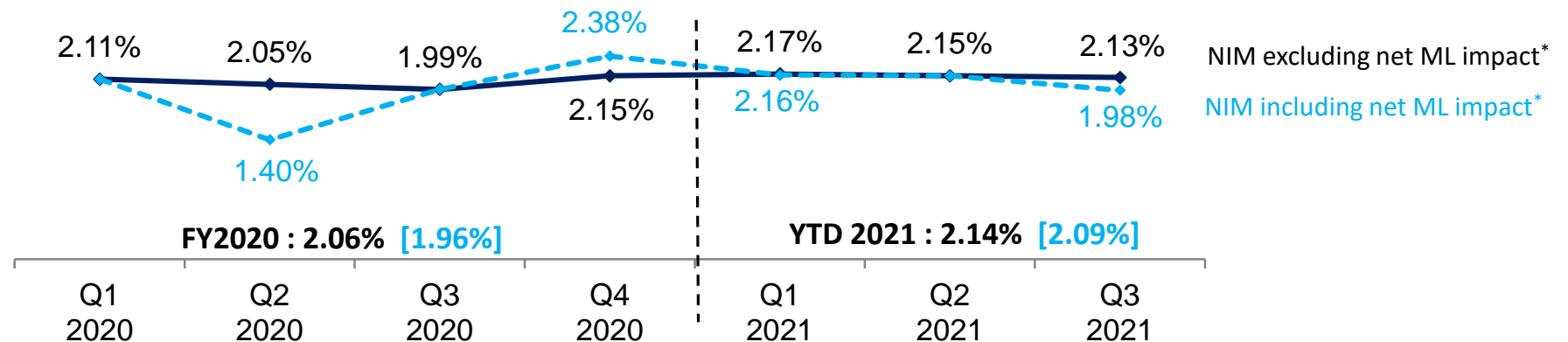
Net fund based income grew 16.2% Y-o-Y mainly due to proactive funding cost management; NIM dipped marginally to 2.13%

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RM'bil

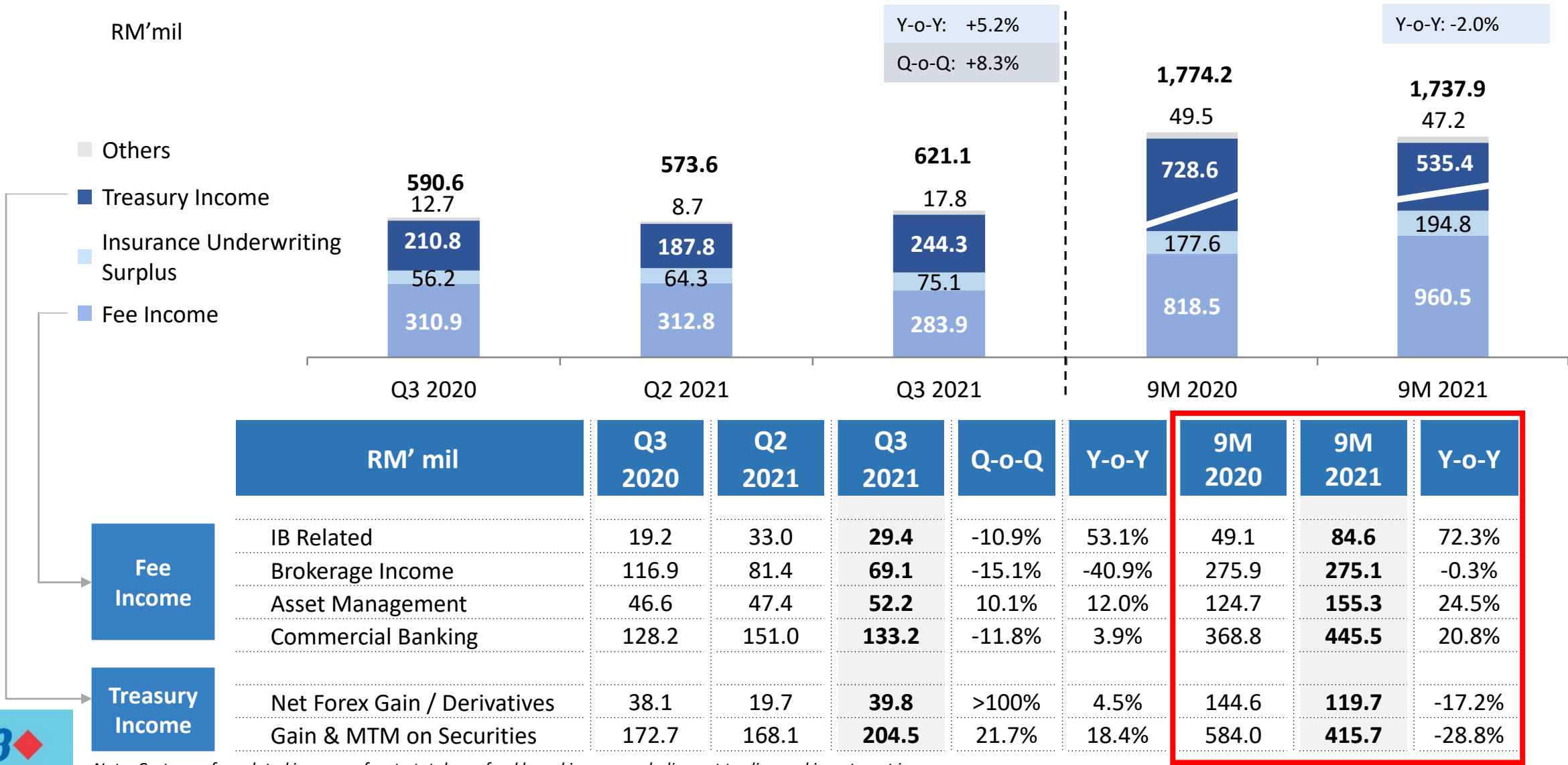


NIM



* Net ML impact includes unwinding of ML

Customer fee related income increased 11.1% Y-o-Y; However, overall non-fund based income declined mainly due to lower net trading and investment income

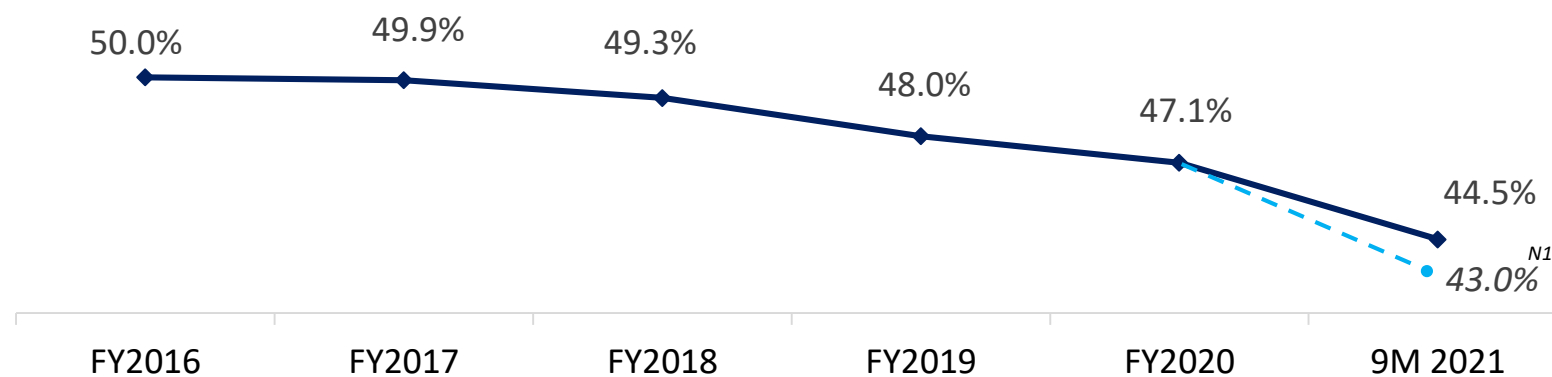


Note: Customer fee related income refers to total non-fund based income excluding net trading and investment income

Operating expenses grew by 4.6% Y-o-Y mainly from higher personnel, IT and marketing expenses; Maintained positive JAWS; CIR improved Y-o-Y to 44.5%

RM' mil	Q3 2020	Q2 2021	Q3 2021	Q-o-Q	Y-o-Y	9M 2020	9M 2021	Y-o-Y
Personnel Costs	529.9	528.7	531.0	0.4%	0.2%	1,541.7	1,612.0	4.6%
Establishment Costs	180.8	188.8	191.5	1.4%	5.9%	551.4	567.8	3.0%
of which: IT Expenses	67.6	69.0	70.4	2.0%	4.1%	197.0	208.2	5.7%
Marketing Expenses	57.1	53.5	53.6	0.2%	-6.1%	155.3	173.0	11.4%
Administration & General Expenses	85.9	93.5	86.3	-7.7%	0.5%	248.9	259.1	4.1%
Total	853.7	864.5	862.4	-0.2%	1.0%	2,497.3	2,611.9	4.6%
CIR (%)	46.6	43.1	44.4			48.8	44.5	

CIR

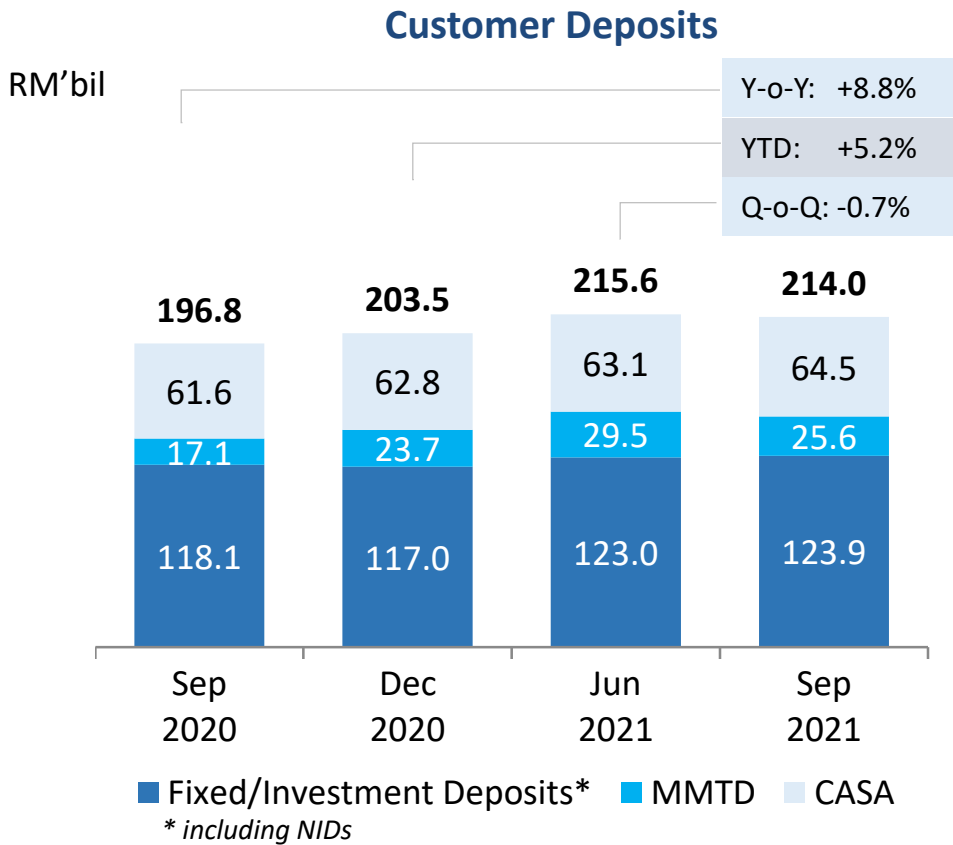


N1 Normalised CIR excluding ML impact

Loans grew 4.6% YTD led mainly by mortgage, SME, Commercial and Singapore; Domestic loans grew 2.6% YTD, exceeding industry growth

RM'mil	Sep 2020	Dec 2020	Jun 2021	Sep 2021	Q-o-Q	YTD	Y-o-Y
GROUP COMMUNITY BANKING	115,237	116,976	119,218	120,778	1.3%	3.3%	4.8%
Retail	93,512	94,973	96,364	97,114	0.8%	2.3%	3.9%
Mortgage	61,993	63,083	65,148	66,197	1.6%	4.9%	6.8%
Commercial Property Financing	4,719	4,673	4,554	4,512	-0.9%	-3.4%	-4.4%
Securities	7,983	7,996	7,553	7,601	0.6%	-4.9%	-4.8%
Auto Finance	8,689	8,952	9,195	9,008	-2.0%	0.6%	3.7%
Unsecured Business	9,349	9,515	9,205	9,106	-1.1%	-4.3%	-2.6%
Others	779	754	709	690	-2.7%	-8.5%	-11.4%
SME	21,725	22,003	22,854	23,664	3.5%	7.5%	8.9%
GROUP WHOLESALE BANKING	47,984	49,121	48,534	49,674	2.3%	1.1%	3.5%
Corporate	41,621	42,434	41,630	42,615	2.4%	0.4%	2.4%
Commercial	6,363	6,687	6,904	7,059	2.2%	5.6%	10.9%
TOTAL RHB DOMESTIC	163,221	166,097	167,752	170,452	1.6%	2.6%	4.4%
OVERSEAS OPERATIONS	19,200	20,017	23,260	24,174	3.9%	20.8%	25.9%
Singapore	14,931	15,568	18,578	19,370	4.3%	24.4%	29.7%
Others	4,269	4,449	4,682	4,804	2.6%	8.0%	12.5%
TOTAL RHB GROUP	182,421	186,114	191,012	194,626	1.9%	4.6%	6.7%

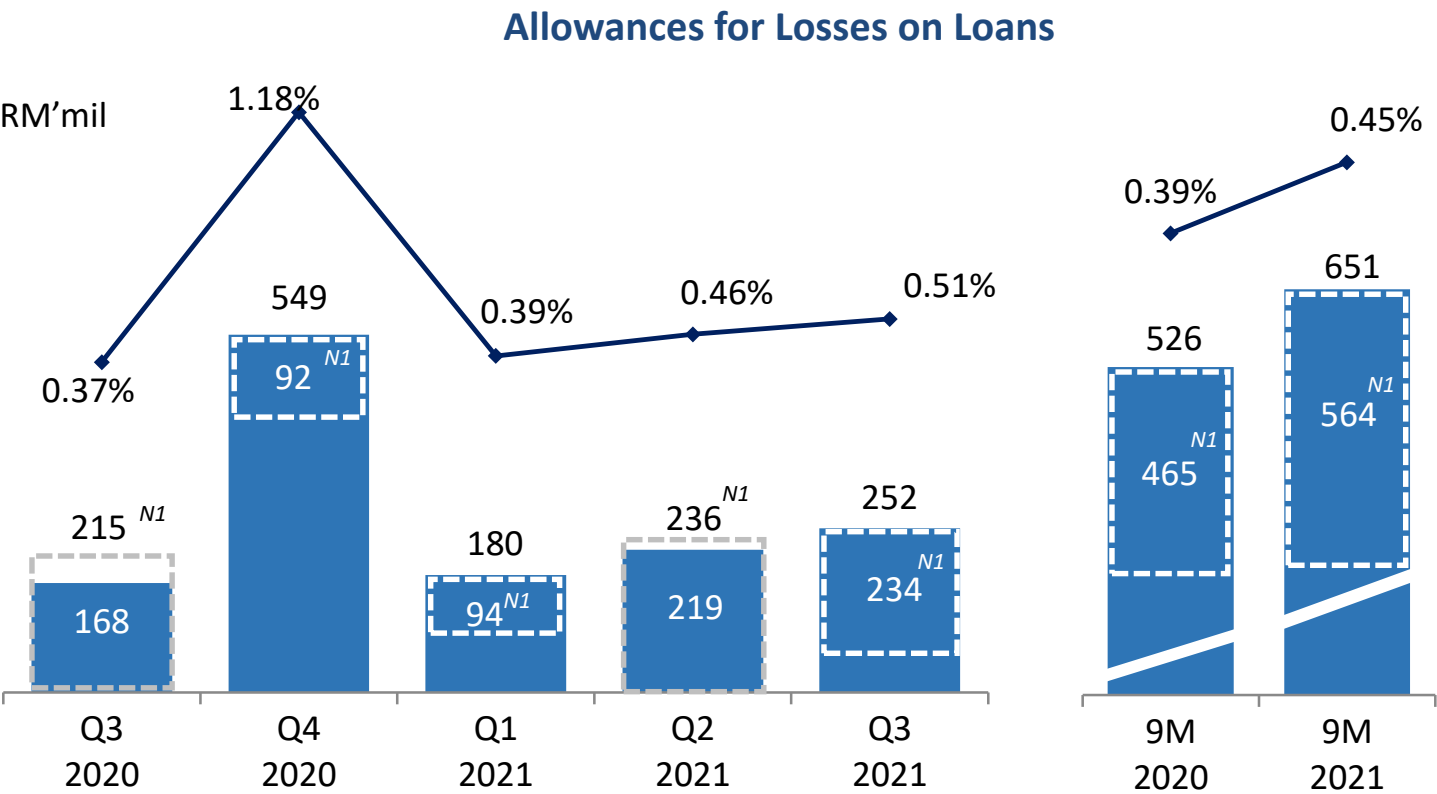
Total deposits grew 5.2% YTD attributed to growth in CASA, FD and MMTD; CASA ratio remained healthy at 30.1%



LDR	92.7%	91.5%	88.6%	90.9%
LCR	142.8%	146.9%	141.8%	138.0%



CASA by Segment							
RM'bil	Sep 2020	Dec 2020	Jun 2021	Sep 2021	Q-o-Q	YTD	Y-o-Y
Group Community Banking	35.3	36.3	39.6	40.5	2.3%	11.5%	14.7%
Retail	20.3	20.7	23.0	23.3	1.6%	12.6%	14.9%
SME	15.0	15.6	16.6	17.2	3.2%	10.0%	14.5%
Group Wholesale Banking	14.8	14.1	11.2	12.5	11.8%	-11.4%	-15.5%
Corporate	13.5	12.8	9.9	11.2	12.9%	-12.7%	-17.1%
Commercial	1.4	1.4	1.3	1.4	3.6%	1.4%	0.7%
Total RHB Domestic	50.1	50.5	50.8	53.0	4.4%	5.1%	5.8%
Overseas	11.4	12.3	12.3	11.5	-6.5%	-6.6%	0.4%
Total RHB Group	61.6	62.8	63.1	64.5	2.3%	2.8%	4.8%
CASA Ratio	31.3%	30.9%	29.3%	30.1%			

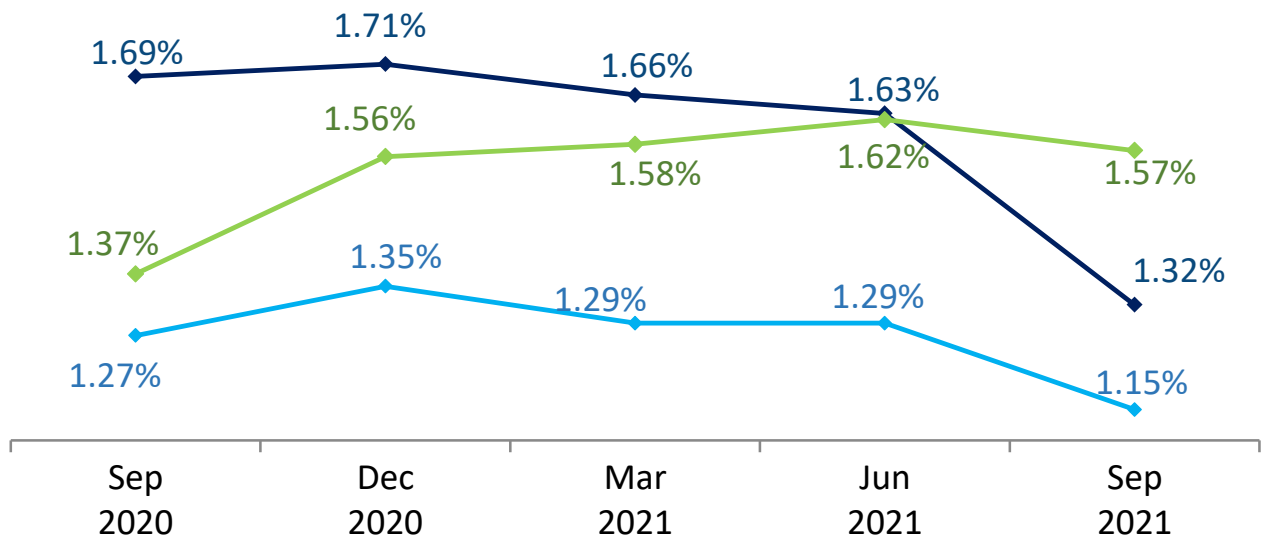


ECL staging composition:

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Stage 1	30%	21%	24%	28%	34%
Stage 2	27%	36%	36%	33%	36%
Stage 3	43%	42%	40%	38%	30%

Gross Impaired Loans

7.45%	11.20%	10.45%	8.27%	8.23%
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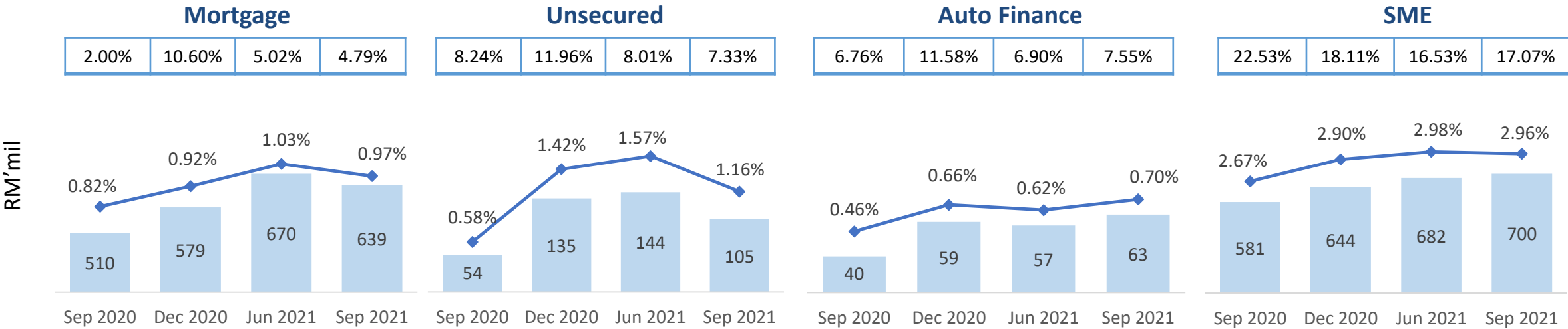


LLC ^{N1}	108.3%	119.7%	119.5%	124.1%	147.9%
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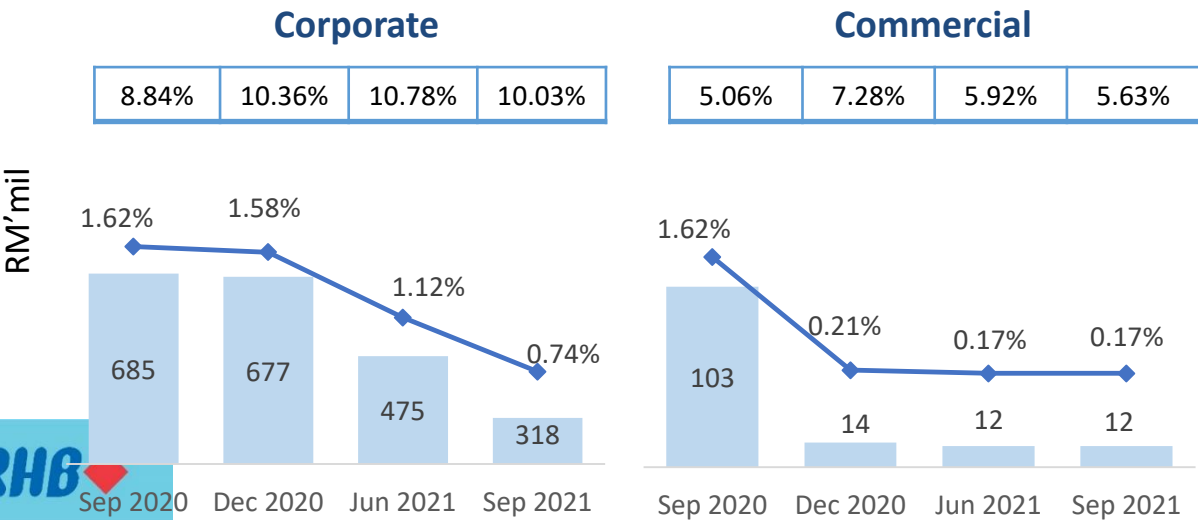
N1: Excluding 1.0% regulatory reserve

Significant GIL improvement in Corporate and Singapore due to recoveries and write-offs, Stage 2 on improving trend in most key segments

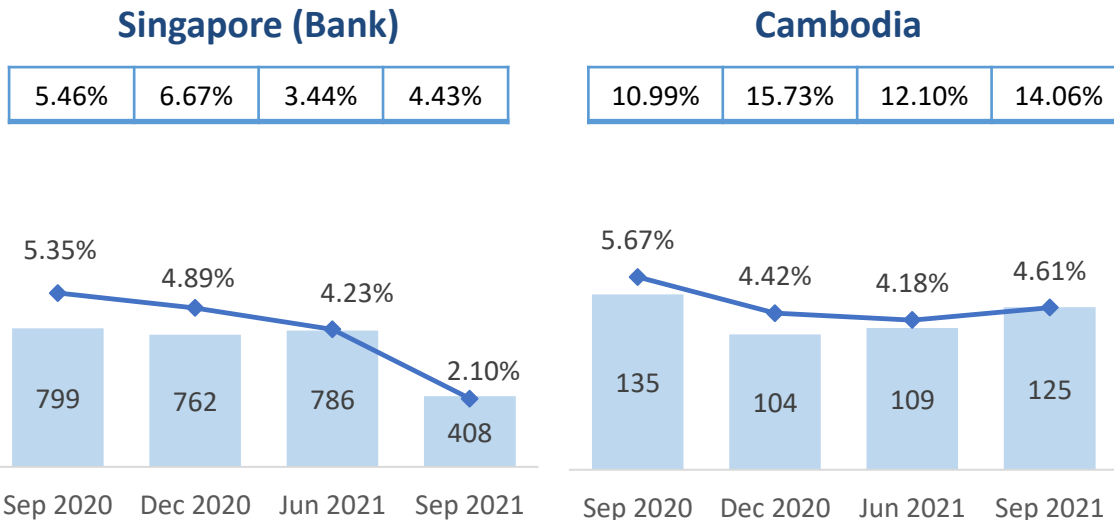
Group Community Banking



Group Wholesale Banking



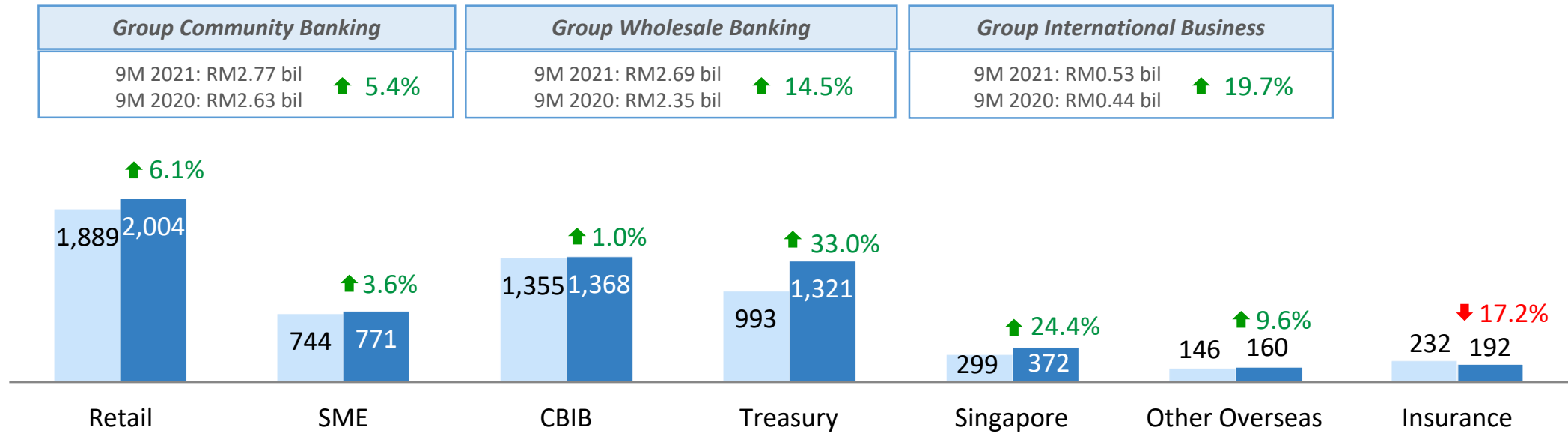
Overseas



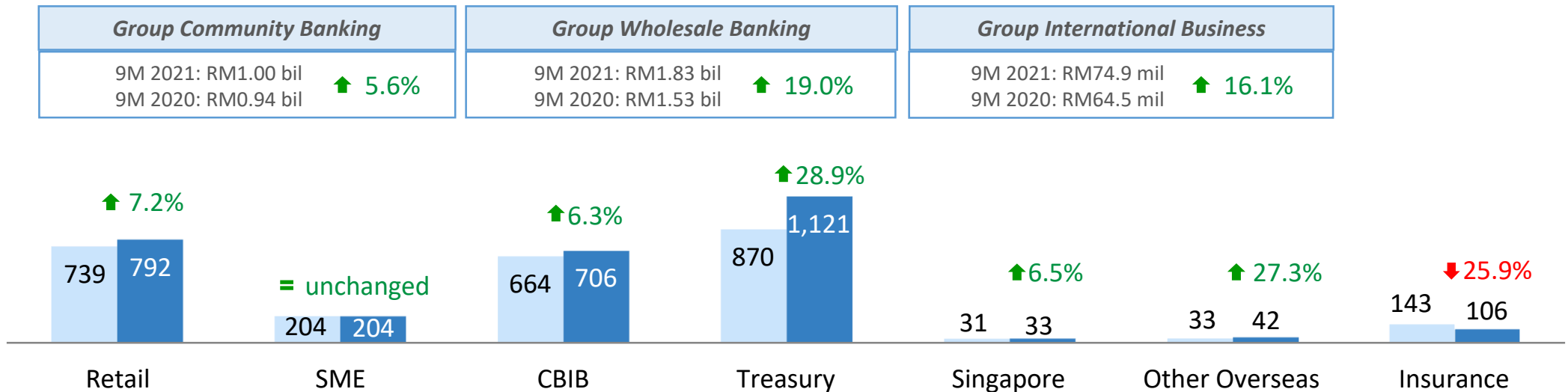
Profit grew in most business segments – Retail, SME, CBIB, Treasury and Overseas; Insurance impacted by MTM on securities' losses

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Revenue



Pre-tax Profit



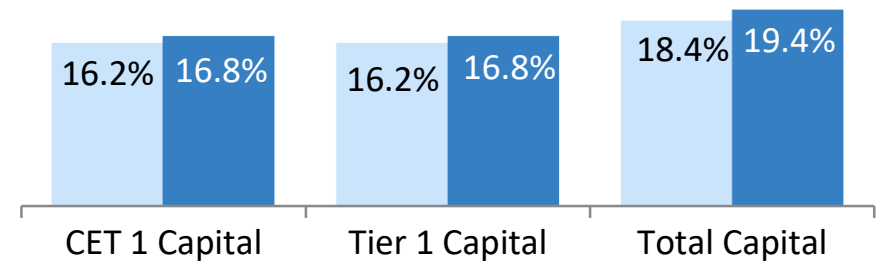
*Figures in RM' million

■ 9M 2020

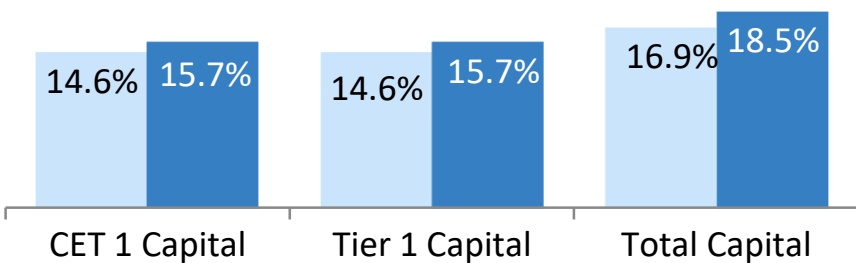
■ 9M 2021

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

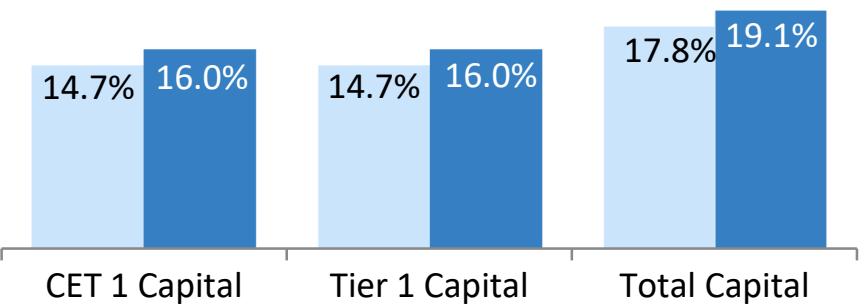
RHB Bank Group



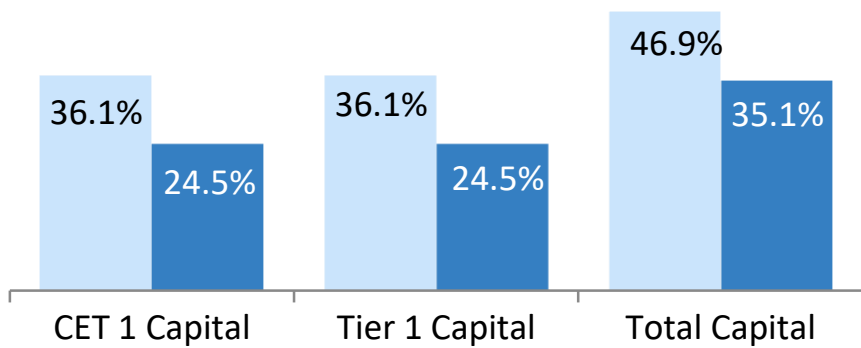
RHB Bank



RHB Islamic Bank



RHB Investment Bank



Dec 2020 Sep 2021



3

Strategy Update

Fund Our Journey

Affluent	<ul style="list-style-type: none"> Premier Banking customers increased to 82.2k (+3.5% from Dec 2020), of which 33.9% are SME owners Total AUM of Premier customers grew to RM42.5 bil (+6.5% from Dec 2020) Affluent fee income grew to RM165.9 mil (+50.0% from Sep 2020)
SME	<ul style="list-style-type: none"> Deposits increased to RM28.1 bil (+11.9% from Dec 2020) Loans grew to RM23.7 bil (+7.5% from Dec 2020) Total SME customers grew to 209,714 (+0.8% from Dec 2020), of which 12.2% are borrowing customers
Large Cap	<ul style="list-style-type: none"> 42.0% 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"> 27.6% share of wallet in fee income of mid-cap companies Penetration rate of mid-cap companies maintained at 72.7%
Retail Deposits	<ul style="list-style-type: none"> Retail deposits grew to RM71.0 bil (+6.4% from Dec 2020), growth ahead of industry (+3.7%) Retail CASA grew to RM23.3 bil (+12.6% from Dec 2020) Retail LDR improved to 137% (-6% from Dec 2020)
Singapore	<ul style="list-style-type: none"> Commercial and SME loans grew to SGD2,306 mil (+26.8% from Dec 2020) and Corporate loans increased to SGD2,809 mil (+15.3% from Dec 2020) 69% of Corporate and 56% of Commercial loans exposure are secured
Cambodia	<ul style="list-style-type: none"> Total loans grew to USD647.2 mil (+10.6% from Dec 2020)

Invest to Win

Analytics and Big Data

- Continued to drive business performance via analytics with RM128.9 mil of benefits realised as at Sep 2021
- Increased analytics use cases for 2021, e.g. identifying suitable customers for flexible lending offers, improving conversion rates for financing products and reducing attrition of credit card customers

Digital

- 935,466 customers on-boarded to the RHB Mobile Banking app (+37.8% from Dec 2020)
- Digital transaction has increased to 85% (76% in Dec 2020)
- Pilot launch of eSignature in Sep 2021 for our Wealth customers to enable sales & business continuity without the physical presence of our customers

Transform the Organisation

Ecosystems

- Total Reflex customers grew to 129,219 (14.4% from Dec 2020)
- Total eSolutions customers grew to 12,306 (+26.0% from Dec 2020)
- SME Online Financing received a total of 3,121 applications as at Sep 2021, with a 38.3% approval rate. Total loans increased to RM724.5 mil (+113% from Dec 2020)
- RHB MyHome acceptance against total Direct Sales Mortgage acceptance increased to 53.2% (up from 39.5% in Dec 2020)
- Contribution of leads from the RHB Partners App increased to 81.0% (up from 68.8% in Dec 2020)

AGILE

- 10,789 staff working under Agile (From 4,377 in Dec 2020)
- 105 MVPs released as at Sep 2021 from Group Community Banking, Group Transaction Banking, Group Wholesale Banking Banking and Group Shariah Banking

4

Sustainability Update

Our Sustainability Key Highlights

Sustainable & Responsible Banking

- **RM5 bil Green Financing Commitment by 2025** - RM3.79 bil extended as at Sep-21; 19% for renewable energy projects
- Launched **Sustainable Financing Programme for SMEs and Retail customers** – a product bundle comprising Green Energy, Green Buildings, Green Process and Green Products. Target to grant RM1 bil in new financing by 2025
- Four (4) ESG SRI-qualified Funds launched in 2021 with total AUM of RM715.0 mil as at Sep-21
 - Latest fund launched: **RHB Asia Sustainable Leaders Fund** in Sept-21 and is managed by RHB Asset Management Pte. Ltd Singapore
- Sole principal adviser and sole lead arranger for **SME Bank's RM500 million Sustainability Sukuk issuance**, marking the country's first Sustainability Sukuk by a development financial institution
- Hosted virtual **RHB ESG Thematic Conference "When Shariah Meets ESG"** – bringing together over 80 local and foreign fund managers, analysts and institutional investors

Moving Forward

- 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). Further details to be shared in Q1-2022.

Awards

- Won "Highly Commended" Award under the Large Organisation category at the Sustainable Business Awards Malaysia 2020/21, organised by Global Initiatives





Summary & Outlook

Economic Outlook

- Q3 2021 GDP contracted 4.5% year-on-year (Q2 2021: +16.1%) due to slowdown in economic activities from the re-imposition of nationwide containment measures
- For 2022, Malaysia's GDP is projected to improve further to 5.5% as recovery strengthens
- The banking industry is expected to remain resilient with loans growth forecast of 3.8% in 2021

Income & Cost Mangement

- Net fund based income – current OPR is expected to hold until H1 2022 to support economic recovery
- Non-fund based income
 - Continued tapering off expected for investment and trading income;
 - Monitor timing and right opportunity to build FVOCI portfolio
 - Resilience in wealth and asset management fees
- Continued focus on cost discipline

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 scheme upon graduating from the RA programme
- Remain prudent in building provisions
- Continue to focus on maintaining 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

- The Group delivered a resilient performance and maintained our strong fundamentals despite the continued challenging business environment in the first nine months of 2021
- The positive pace of economic activity which supports recovery is expected to continue into 2022. However, the Group will continue to remain vigilant while preserving our capital and liquidity strength
- We remain committed in facilitating our borrowers with the assistance through our R&R programme as well as the industry's collaboration with AKPK
- The Group will continue to stay the course by improving business performance through digitalisation and AGILE way of working, enhancing customer experience and enterprise risk management

THANK YOU

www.rhbgroup.com

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Appendix

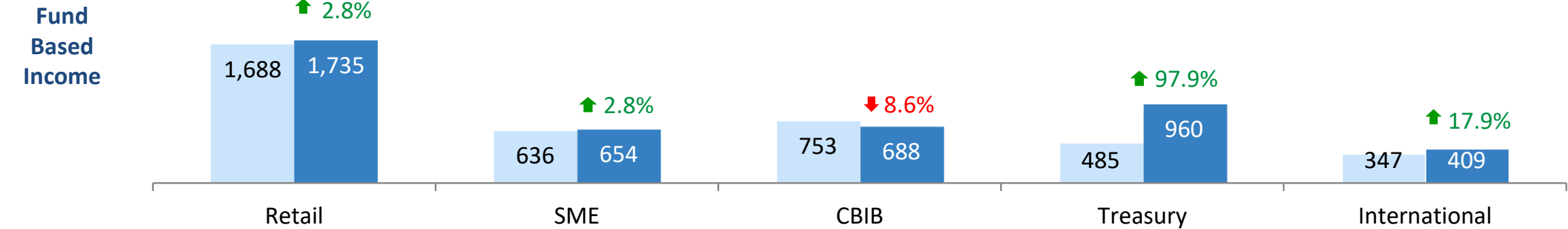
Financial Data RM'mil	FY2017	FY2018	FY2019	FY2020	9M 2021
Income Statement					
Total Income	6,384	6,806	7,058	7,186	5,869
Pre-Provisioning Operating Profit	3,200	3,448	3,670	3,799	3,257
Profit Before Tax	2,558	3,119	3,394	2,644	2,606
Net Profit	1,950	2,305	2,482	2,033	1,987
Balance Sheet					
Total Assets	228,713	243,166	257,592	271,150	280,933
Gross Loans	160,026	168,879	176,175	186,114	194,626
Customer Deposits	166,865	178,856	190,555	203,471	214,038
Shareholders' Equity	21,667	23,358	25,775	27,024	27,858
Per Share					
Earnings (sen)	48.6	57.5	61.9	50.7	49.3
Net Assets (RM)	5.40	5.82	6.43	6.74	6.85
Dividend (sen)	15.00	20.50	31.00	17.65	15.00

Financial Ratios	FY2017	FY2018	FY2019	FY2020	9M 2021
Profitability					
Return on Equity	9.1%	10.3%	10.3%	7.7%	9.7%
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%	44.5%
Asset Quality					
Gross Impaired Loan Ratio	2.23%	2.06%	1.97%	1.71%	1.32%
Credit Cost	0.27%	0.19%	0.18%	0.58%	0.45%
Loan Loss Coverage Ratio (excl. Reg. Reserves)	79.9%	93.3%	85.7%	119.7%	147.9%
Loan Loss Coverage Ratio (incl. Reg. Reserves)	102.8%	103.0%	107.9%	119.7%	149.8%
Liquidity					
Loan to Deposit Ratio	96.0%	94.4%	92.5%	91.5%	90.9%
CASA Ratio	30.2%	25.9%	25.7%	30.9%	30.1%
Liquidity Coverage Ratio	117.5%	143.0%	152.7%	146.9%	138.0%
Capital Adequacy					
Common Equity Tier I Capital Ratio	13.9%	15.5%	16.3%	16.2%	16.8%
Tier I Capital Ratio	14.2%	15.7%	16.3%	16.2%	16.8%
Total Capital Ratio	17.2%	18.8%	18.6%	18.4%	19.4%

* NIM without ML impact

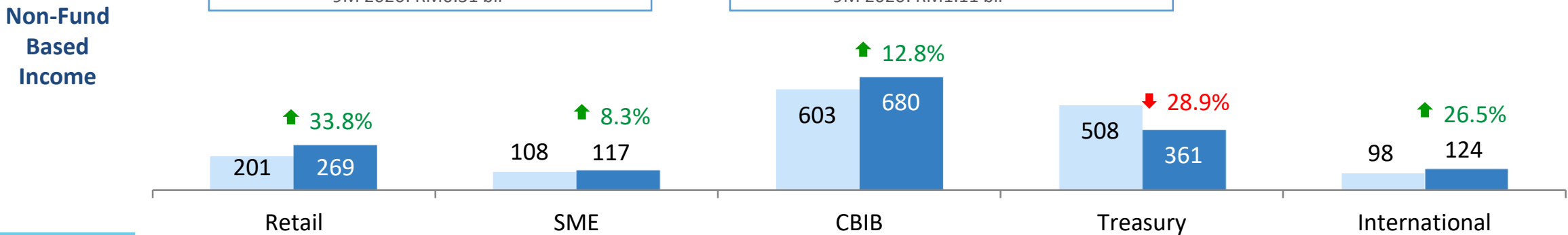
Group Community Banking
9M 2021: RM2.39 bil
9M 2020: RM2.32 bil
↑ 2.8

Group Wholesale Banking
9M 2021: RM1.65 bil
9M 2020: RM1.24 bil
↑ 33.1%



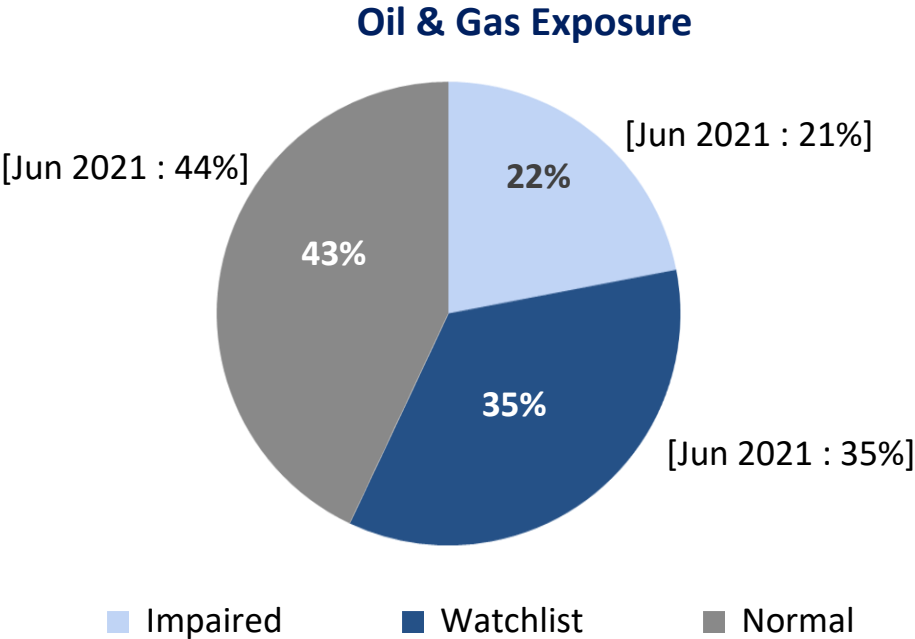
Group Community Banking
9M 2021: RM0.39 bil
9M 2020: RM0.31 bil
↑ 24.9%

Group Wholesale Banking
9M 2021: RM1.04 bil
9M 2020: RM1.11 bil
↓ 6.3%



*Figures in RM' million

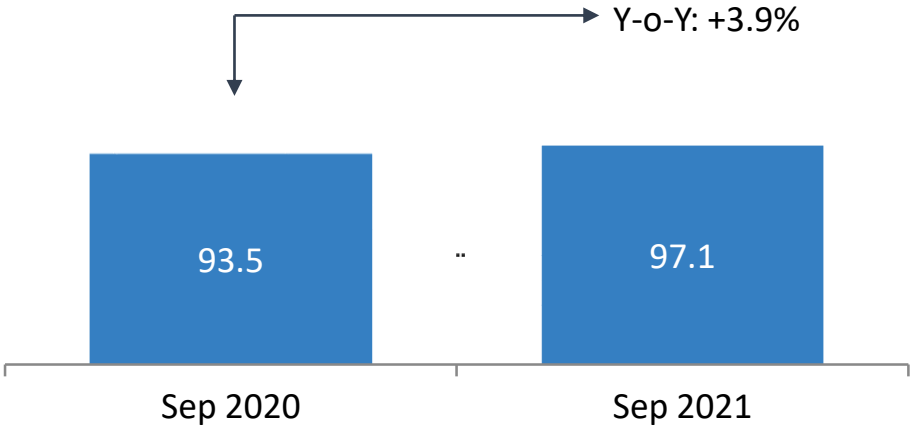
Loans + Bonds Outstanding	Oil and Gas Related Industry					
	Upstream		Downstream		Total	
	RM'bil	% to Gross Loans	RM'bil	% to Gross Loans	RM'bil	% to Gross Loans
Sep 2021	2.6	1.3%	1.0	0.5%	3.6	1.9%
Dec 2020	2.8	1.5%	1.0	0.5%	3.8	2.0%
Dec 2019	2.5	1.4%	1.6	1.0%	4.2	2.4%
Dec 2018	3.3	1.9%	1.5	0.9%	4.8	2.8%



Country	% of Loans Outstanding
Malaysia	78%
Singapore	22%

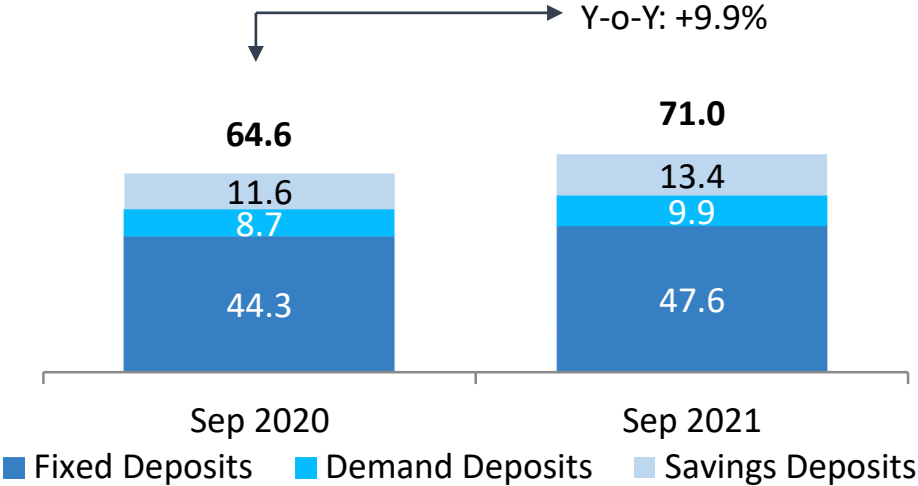
RM'bil

Gross Loans

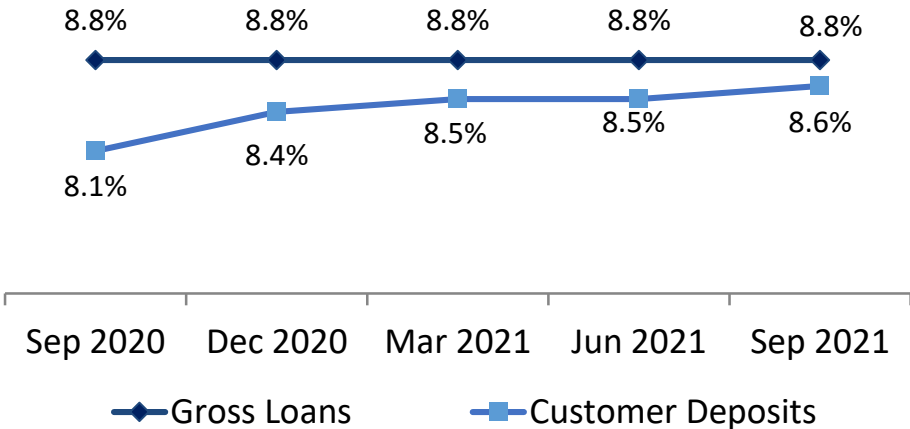


RM'bil

Customer Deposits

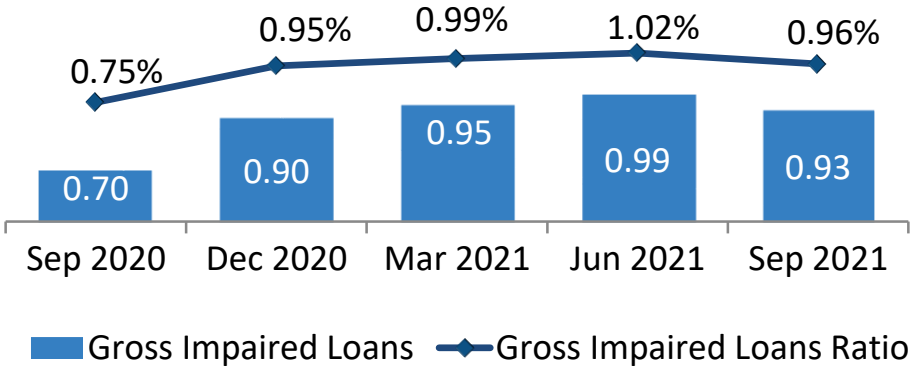


Retail Market Share*

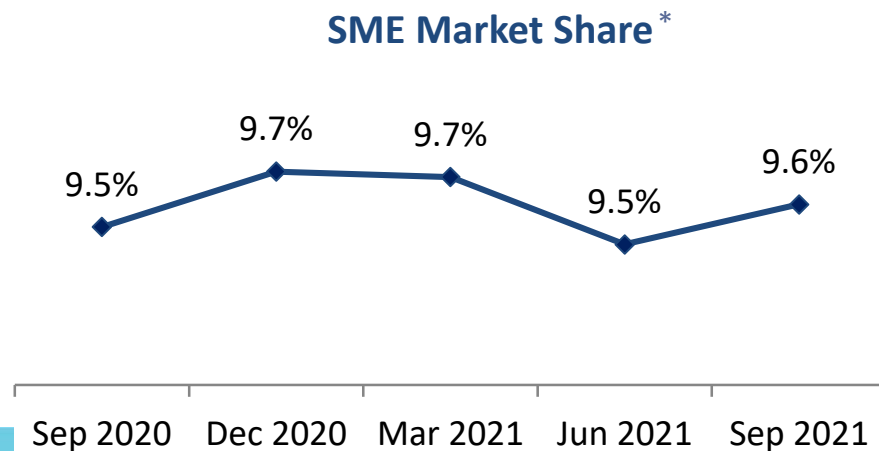
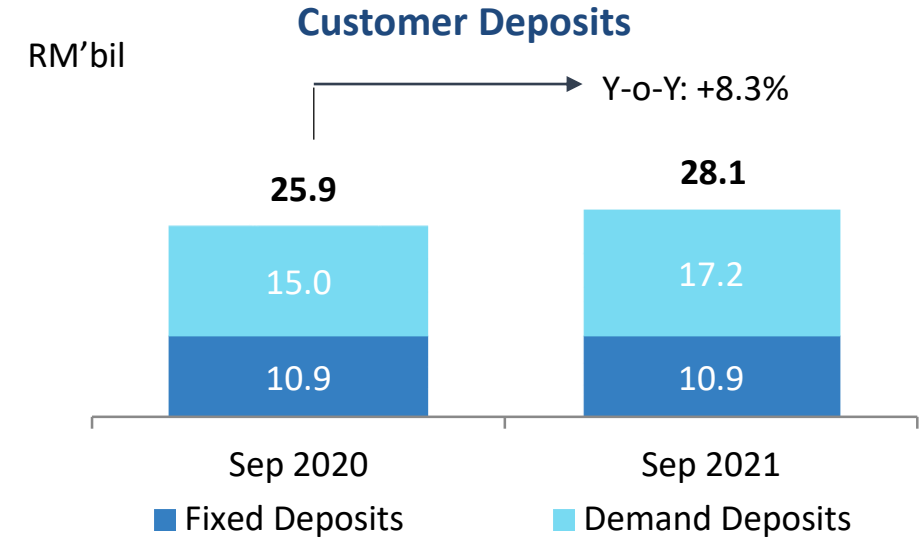
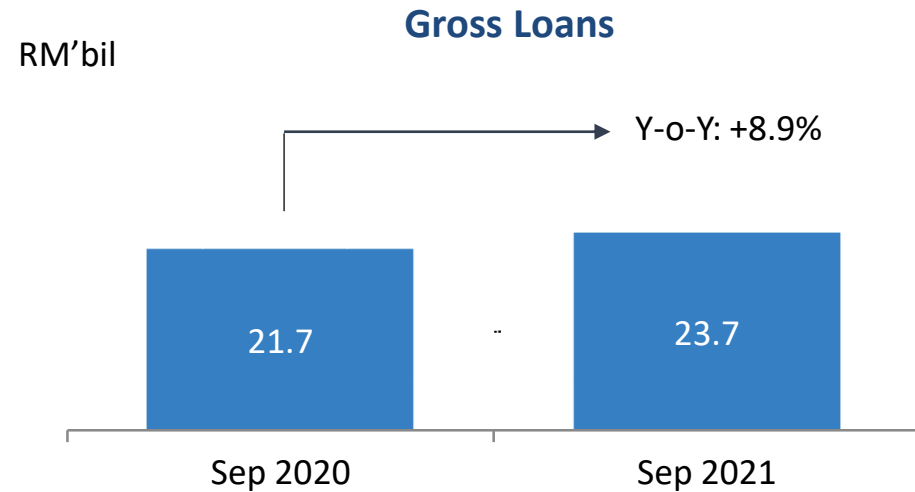


Asset Quality

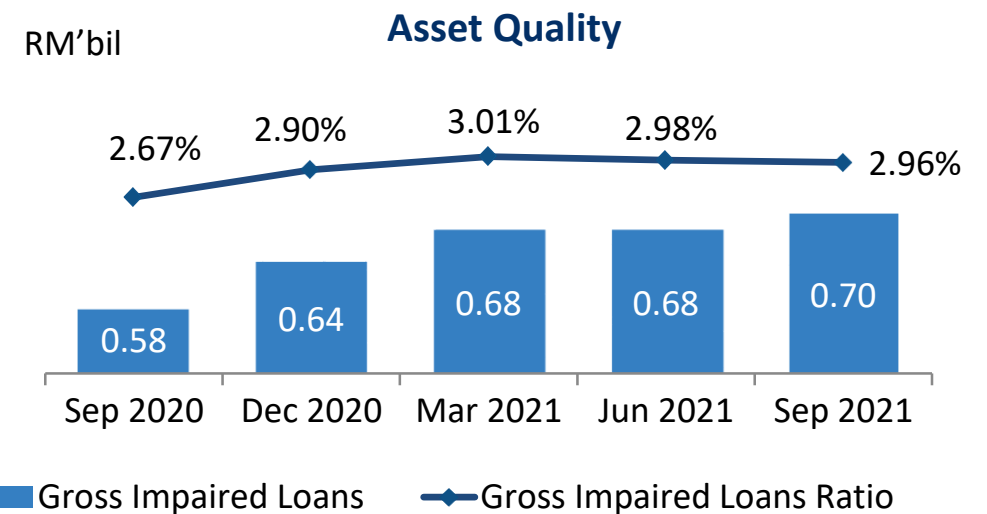
RM'bil



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

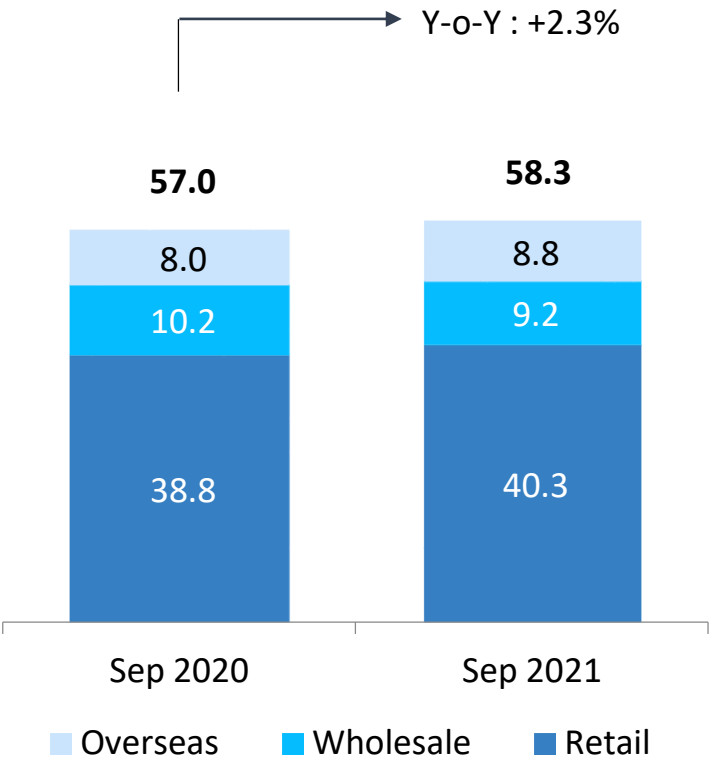


* % of SME loans to total for industry (excluding DFIs) as reported in BNM Statistics



RM'bil

Asset Under Management



Market Share

11.0%

10.1%



YTD Sep 2021	Market Share	Ranking
Equities Broking: - By value - By volume	9.2% 10.7%	4 th 3 rd
Debt Capital Markets: - MYR sukuk - Total MYR bonds (Conventional & Islamic bonds)	14.7% 15.1%	3 rd 3 rd
Mergers & Acquisitions: - by value - by deal count	35.5% 13	4 th 1 st
Equity Capital Markets	10.8%	4 th

CF/ECM



CTOS Digital Berhad

RM1.2 bil IPO

*Joint Principal Adviser, Joint Global Coordinator,
Joint Bookrunner, Joint Managing Underwriter &
Joint Underwriter*

DCM



Malaysia Rail Link Sdn Bhd

Third issuance of Sukuk Murabahah RM2.5 bil via its
RM9.75 bil Sukuk Murabahah Programme
Joint Lead Arranger & Joint Lead Manager

M&A



MMC Corporation Berhad

RM2,938.0 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



Mr D.I.Y Group (M) Berhad

RM846.3 mil Placement

Joint Placement Agent



Prasarana Malaysia Berhad

First issuance of RM1.7 bil via its
RM17.0 bil Sukuk Murabahah Programme
*Joint Lead Arranger,
Joint Lead Manager & Facility Agent*



Kuala Lumpur Kepong Berhad

RM2,729.8 mil

Proposed Acquisition by Kuala Lumpur Kepong Berhad ("KLK")
of 56.20% Equity Interest in IJM Plantations Berhad ("IJMP") and
the resultant proposed mandatory general offer to acquire all
the remaining ordinary shares in IJMP not already held by KLK
after the proposed acquisition
Principal Adviser



IGB Commercial Real Estate Investment Trust

RM208.4 mil IPO

Joint Bookrunner



LBS Bina Group Berhad

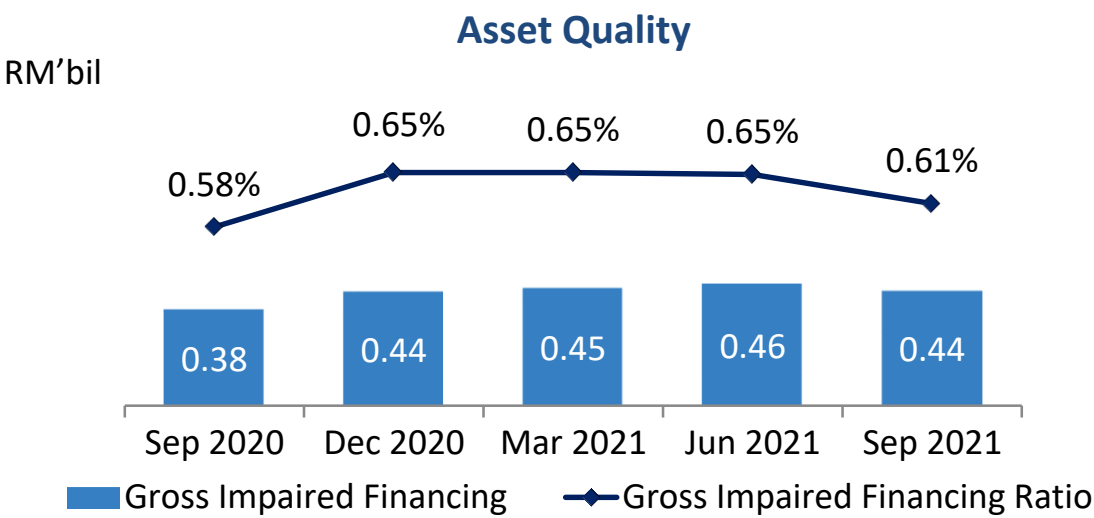
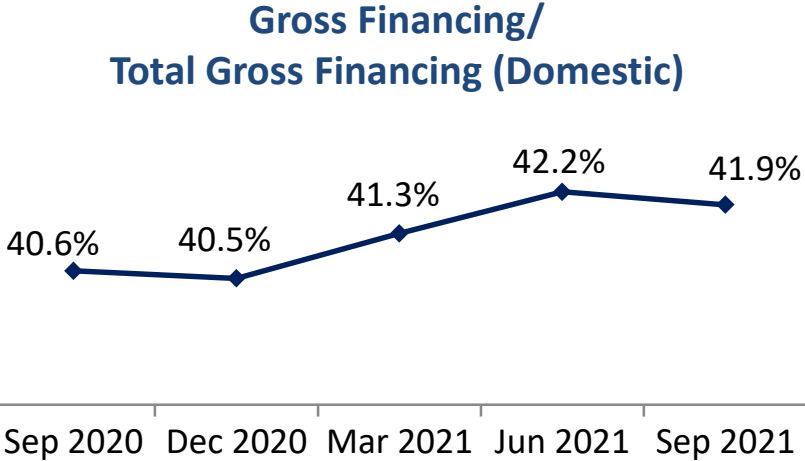
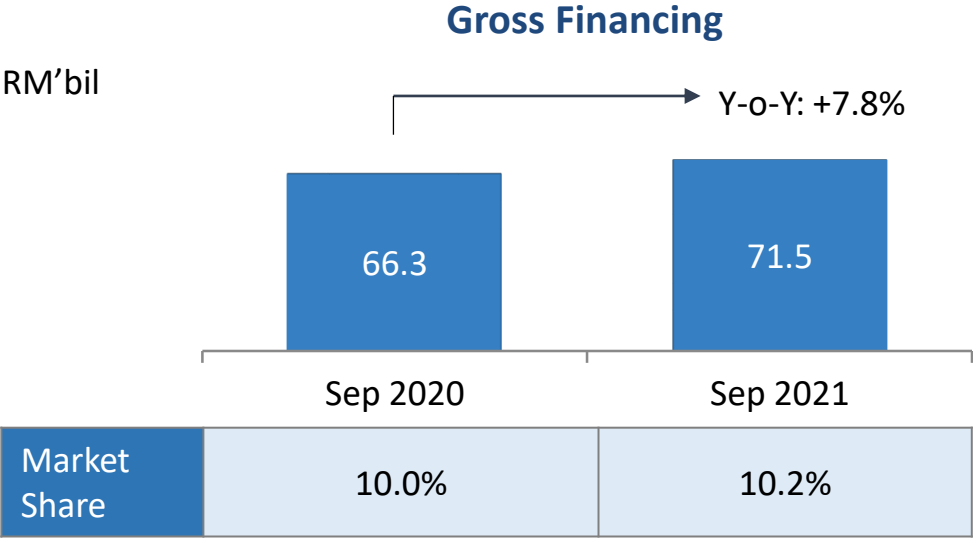
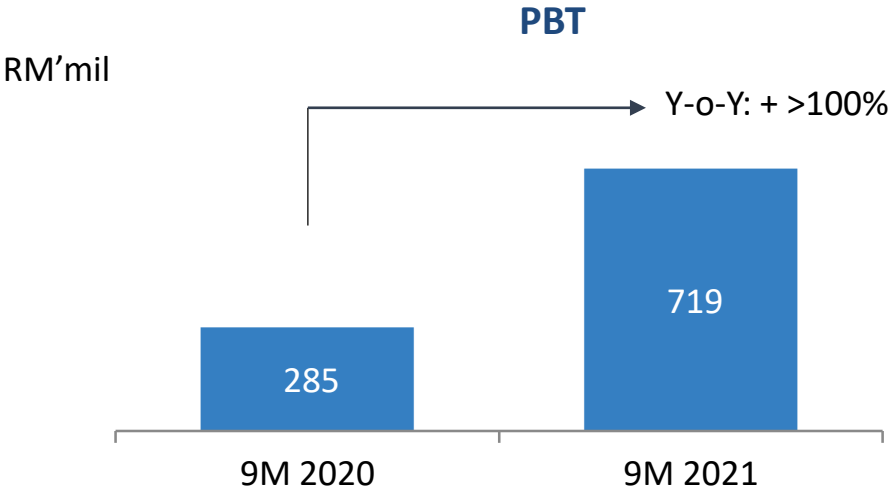
Second issuance of RM93.0 mil via its
RM700.0 mil Perpetual Sukuk Musharakah Programme
Lead Manager

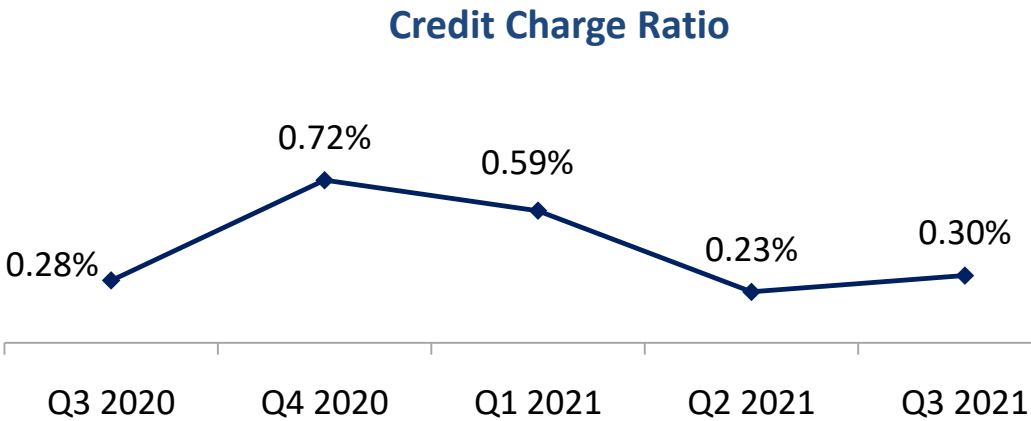
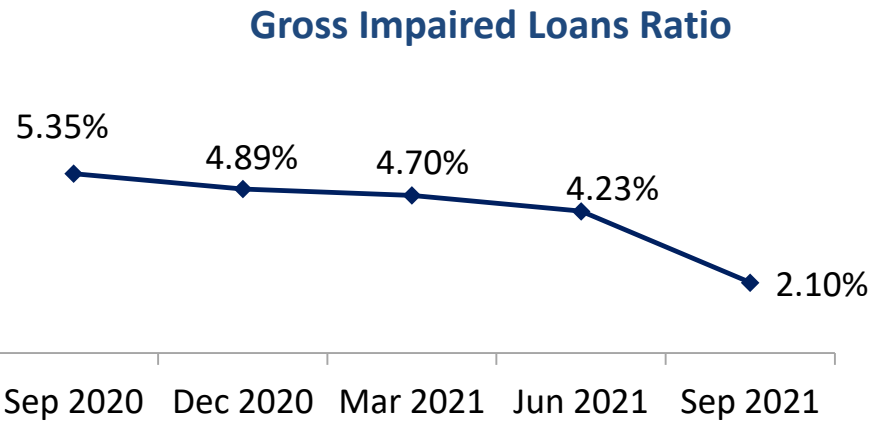
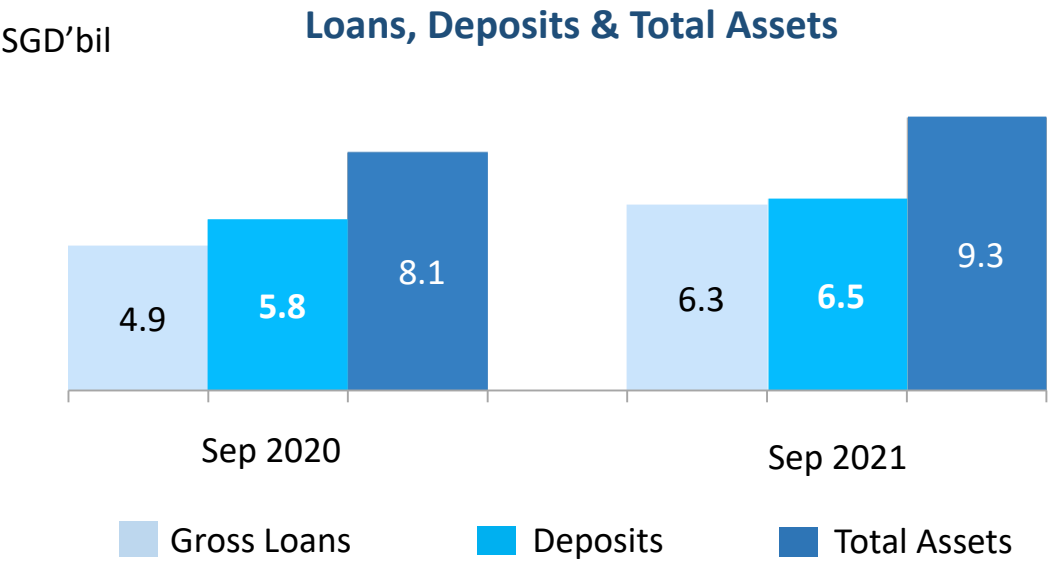
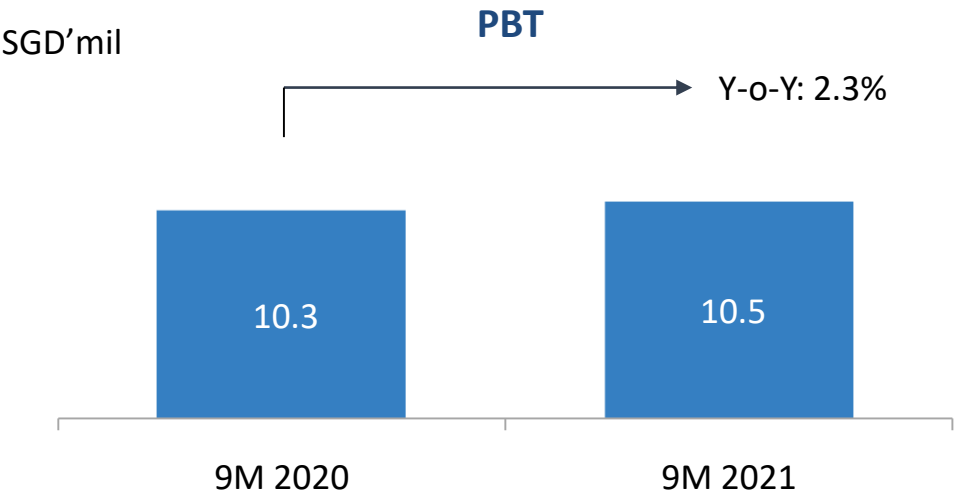


ENRA Group Berhad

RM50.0 mil

Proposed Divestment by ENRA Energy Sdn Bhd of its entire equity
interest in ENRA Kimia Sdn Bhd for a cash consideration
Sole Principal Adviser





RM'mil	Sep 2020	Dec 2020	Jun 2021	Sep 2021	Q-o-Q	YTD	Y-o-Y
Overseas Operations	19,200	20,017	23,260	24,174	3.9%	20.8%	25.9%
Singapore	14,931	15,568	18,578	19,370	4.3%	24.4%	29.7%
Others	4,269	4,449	4,682	4,804	2.6%	8.0%	12.5%
Cambodia	2,383	2,353	2,607	2,709	3.9%	15.1%	13.7%
Thailand	1,438	1,574	1,624	1,667	2.6%	5.9%	15.9%
Brunei	170	173	192	185	-3.6%	6.9%	8.8%
Laos	182	160	152	146	-3.9%	-8.8%	-19.8%
Indonesia	96	189	107	97	-9.3%	-48.7%	1.0%