60th Annual General Meeting

Pre-AGM Questions Raised By PNB & Other Shareholders

6th May 2026

Permodalan Nasional Berhad

Permodalan Nasional Berhad (PNB)

Shareholder's Name	Question 1
PNB	To disclose the annualised Total Shareholders' Returns (TSR) of RHB Bank Berhad (RHB) for the past 1, 3, and 5 years up to the end of the financial year ended 2025, with a brief explanation of the differences in returns over these time periods?

Response

The annualised TSR for RHB as at 31 December 2025 are as follows:

Period	Annualised TSR
1 year	26.7%
3 year	17.7%
5 year	14.6%

The 1-year TSR of 26.7% reflects strong performance, driven by (i) 19% share price appreciation, and (ii) the highest recorded dividend payout ratio of 65%, which collectively supported RHB's achievement of a 1.0x price-to-book value.

The annualised 3-year TSR of 17.7% was comparatively lower, primarily due to (i) more moderate average share price appreciation of approximately 11% per annum, and (ii) a relatively lower dividend payout ratio, averaging 62% over the FY2022 to FY2025 period.

Similarly, the annualised 5-year TSR of 14.6% reflects more tempered performance over a longer horizon, attributable to (i) relatively modest average share price appreciation of approximately 8% per annum impacted by Covid year 2020 as well as the gradual post-Covid recovery phase, and (ii) a lower average dividend payout ratio of 58% across the FY2020 to FY2025 period.

RHB

Permodalan Nasional Berhad (PNB)

Shareholder's Name	Question 2
PNB	Among the eight PROGRESS27 transformation programmes, which does the Board consider most impactful in driving improvement in ROE, and what is the expected scale of its contribution to profitability?

Response
The Group's ROE improvement is driven by the combined impact of the full portfolio of eight programmes, rather than any single programme in isolation. These programmes have been designed to work together across key financial drivers of the Group, including balance sheet growth (such as domestic loans and CASA), fee income expansion, and cost efficiency. Taken together, the programme portfolio is expected to contribute a broad-based uplift to profitability over the 3-year horizon with no single programme being solely relied upon to deliver the ROE outcome. Given the interdependencies across these levers, the Group does not typically attribute standalone profitability to any one programme.

RHB

Permodalan Nasional Berhad (PNB)

Shareholder's Name	Question 3
PNB	**Optimise Costs & Productivity (Programme 3)** In FY2025, RHB achieved cost savings of RM158 million compared to the RM800 million cumulative cost savings target under PROGRESS27. What is RHB's specific cost savings target for FY2026, and how will it accelerate delivery given that FY2025 CIR of 47.3% remains materially above the ≤44.8% PROGRESS27 target?

Response
In FY2025, the Group strengthened its cost discipline and contained annual cost growth at 3.3%, compared with prior year cost growth of 9.0% in FY2024. This was supported by tighter control of discretionary spend, productivity improvements, and more disciplined investment prioritization. Recently, we also raised our cumulative cost savings ambition to RM800 million, reflecting a broader set of opportunities to improve efficiency across the Group. The RM158 million savings achieved in FY2025 represents meaningful progress from the first phase of execution, while the higher cumulative target reflects our next phase of cost transformation.

Permodalan Nasional Berhad (PNB)

Response (Cont'd)
We acknowledge that the FY2025 CIR of 47.3% remains above the FY2027 PROGRESS27 target of 44.8%. The Group's FY2026 plan therefore focuses on both sides of the efficiency equation, i.e. accelerating cost initiatives while strengthening income momentum. For FY2026, the Group expects CIR to be in the range of 46% to 47%. We remain focused on delivering the revised cumulative savings ambition and progressing towards our 2027 efficiency target.

Permodalan Nasional Berhad (PNB)

Shareholder's Name	Question 4
PNB	**International Business Profitability (Programme 6)** What is RHB's target for International Businesses' contribution to Group PBT by FY2027, and which geographies are ahead of or behind plan, including the key factors driving these variances?

Response
The Group has previously shared aspirations to grow the contribution from its international footprint. While the overall direction remains unchanged, performance across markets has been uneven, reflecting differences in rate cycles and local operating conditions. In terms of contribution, Singapore remains our key international market. Across the broader international footprint, we will continue to prioritise markets and segments where we have clear strategic relevance and can deliver sustainable returns. While we typically do not disclose individual country-level performance, these are monitored closely internally by management and incorporated into our annual business planning.

RHB

Permodalan Nasional Berhad (PNB)

Shareholder's Name	Question 5
PNB	**Digital Transformation & Technology (Programme 8)** Could the Board provide an overview of how digital and technology investments under PROGRESS27 are expected to support customer experience improvement and cost discipline, and how are these initiatives being sequenced to deliver sustainable returns over time?

Response

- Digital and technology investments support the strategy by making banking simpler, faster and more relevant for customers, while also building a more scalable operating model over time.
- The focus is on improving customer journeys, increasing digital adoption and using data more effectively to engage customers at the right moments. Examples include smoother digital onboarding and more personalised engagement.
- From a cost perspective, digitalisation can support more efficient servicing by reducing manual effort and enabling more scalable channels. However, the full cost benefit still depends on related process improvements, straight through processing and operating model changes across the Group.
- These initiatives are being progressed in parallel, with value expected to build over time as adoption increases, journeys mature and automation becomes more embedded.

RHB

Retail Shareholders

Business Outlook

Shareholder's Name	Question 1
CHOONG KIAN KHIAN	Can you list out the top 5 sectors of RHB loan portfolios (% and total portfolio) and which sector loan is the most profitable for RHB?

Response

The top five (5) sectors of RHB loan portfolios are as follows:

a) Finance, insurance, real estate and business services;
b) Wholesale and retail trade and restaurant and hotel;
c) Manufacturing;
d) Construction; and
e) Education, health and others.

Meanwhile, the top five (5) most profitable sectors are property development, construction, wholesale and retail trade, utilities and energy supply, and waste management & remedial activities.

Business Outlook

Shareholder's Name	Question 2
CHOONG KIAN KHIAN	How would the Iran conflict impact on RHB's performance in 2026?

Response
Overall impact on RHB in 2026 is likely to be manageable under the base case, with potential downside only if the conflict becomes prolonged and oil price per barrel to consistently average above USD120 per barrel may result in additional provisioning. RHB’s strong capitalisation, stable funding mix and domestic centric loan book should allow it to weather the headwinds.

Business Outlook - Boost Bank

Shareholder's Name	Question 3
CHEW HON MUN	One year after the public launch, has Boost Bank's loan-to-deposit ratio improved to a healthier level? Furthermore, can the Board confirm if any additional capital injections from RHB were required in FY2025 or are planned for FY2026 to support its "foundational phase" losses?

Response
In FY2025, Boost Bank's loan-to-deposit ratio improved as lending activity scaled following its initial public launch in June 2024. During the year, RHB Bank had subscribed for an additional 34.0 million ordinary shares in Boost Bank to fund the foundational phase, and working capital requirements. As at end FY2025, RHB Bank held a total of 144.8 million ordinary shares in Boost Bank. Further capitalisation will be considered in 2026 and beyond, as required to support Boost Bank's continued growth.

Business Outlook - Boost Bank

Shareholder's Name	Question 4
TING JIE EN	With Boost Bank now operational, how is the parent bank's risk framework monitoring contagion risk? Specifically, if the digital bank faces higher-than-expected credit losses in its 'undeserved' niche, what are the predefined 'firewalls' in place to ensure the Group's overall capital and credit ratings remain unaffected?

Response
RHB has oversight mechanisms in place to monitor key risks at Boost Bank, which include regular reporting of pre-defined indicators (including credit-loss ratios) to ensure any emerging risk factors are managed at an early stage. Additionally, Boost Bank is an associate company of RHB with its own standalone capital and balance sheet. RHB's exposure is limited to its equity investment, with financial impact reflected through equity accounting rather than consolidated capital or assets. Accordingly, Boost Bank's performance is reflected at RHB via 40% share of earnings/losses which would not have any material impact to the overall Group performance.

RHB

Dividend

Shareholder's Name	Question 5
CHEW HON MUN	The Group Managing Director recently announced that the dividend payout ratio guidance has been lifted to a range of 50% to 60% for FY2026. However, for FY2025, the Group declared a 65% payout (50 sen per share), exceeding even this new guidance. Since the 65% payout for FY2025 is higher than the new 50%–60% guidance, should shareholders view 65% as the "new normal" for years with strong results, or is the Board intentionally being conservative with the official 50%–60% range?

Response
The higher dividend payout of 65% for FY2025 was supported by the Group's strong and consistent underlying performance, as well as one-off additional income from Bancassurance. As such, this level of payout should not be regarded as a new baseline for future distributions. To continue providing consistent returns to shareholders, the Group has increased its dividend payout guidance to a higher range of 50% to 60%. Any payout above this range will be assessed on a case-by-case basis, taking into consideration the Group's financial performance, capital position, and prevailing business and regulatory environment.

RHB

Dividend

Shareholder's Name	Question 6
CHEW HON MUN	Will the board/management to consider DRP again?

Response
There are currently no plans to consider a DRP as the Group’s capital position remains healthy and comparable to industry level.

Dividend

Shareholder's Name	Question 7
CHEW HON MUN	Industry analysts consider a 15.2% CET1 ratio to be "robust" and potentially "over-capitalized." Given that holding excess capital can dilute Return on Equity (ROE), why hasn't the Board considered a more active capital management plan (such as special dividends, capital repayment to shareholders) to help reach the 12% ROE headline target faster?

Response
The Group’s CET 1 ratio of 15.2% remains broadly in line with industry level and reflect our prudent approach to capital management. The strong capital position provides adequate buffer to support business growth, absorb potential stress and navigate the current uncertain external environment. At this juncture, the Board has not considered implementing more other capital management measures such special dividends or capital repayment. Instead, the Group remains committed to its dividend payout guidance of 50% to 60%, with a focus to delivering consistent returns to shareholders.

RHB

Dividend

Shareholder's Name	Question 8
TING JIE EN	The group CET1 ratio moderated to 15.2% in FY2025 from 16.4% the previous year. While still robust, the bank also increased its total dividend payout to 50 sen per share. What is the board's internal 'floor' for the CET1 ratio before you would consider a DRP or reducing the 65% payout ratio to protect against global economic shocks?

Response
The Group's CET 1 ratio of 15.2% remains broadly in line with industry level and reflects our prudent approach to capital management. The strong capital position provides adequate buffer to support business growth, absorb potential stress and navigate the current uncertain external environment. The Group's capital ratios are monitored against internal capital targets (ICT) which incorporate the minimum regulatory requirements and capital buffers prescribed by BNM. The ICT is being reviewed regularly to ensure its remains relevant and aligned with the Group's strategic direction. The higher dividend payout of 65% for FY2025 was supported by the Group's strong and consistent underlying performance, as well as one-off additional income from Bancassurance. As such, this level of payout should not be regarded as a new baseline for future distributions.

Dividend

Response (Cont'd)

To continue providing consistent returns to shareholders, the Group has increased its dividend payout guidance to a higher range of 50% to 60%. Any payout above this range will be assessed on a case-by-case basis, taking into consideration the Group's financial performance, capital position, and prevailing business and regulatory environment.

RHB

Financial Performance

Shareholder's Name	Question 9
CHEW HON MUN	For FY2025, non-interest income (NOII) slipped by 2.1% due to lower net gains on foreign exchange and derivatives. How will the RM1.6 billion in access fees be recognized over the next 20 years, and can the Board provide a target for how much these partnerships will contribute to NOII growth in FY2026 specifically?

Response
~75% of the total Bancassurance/ bancatakaful fees ("Banca") of RM1.6 billion will be recognized over 20 years, and the remaining will be recognized over 3 years upon achieving certain targets. Banca fees contributed ~4% to the total NOII in FY2025 as the fee recognition only started in Q3'25.

RHB

Financial Performance

Shareholder's Name	Question 10
TING JIE EN	The GIL ratio improved to 1.41% in 2025. However, the PROGRESS27 goal is an ambitious <=1.3%. To what extent is this improvement driven by actual recovery vs technical write-offs? Also, do we still maintain management overlays (precautionary provisions) specifically for the SME segment, and under what stress-test conditions would be released?

Response
GIL ratio improvement stems from our robust loans growth of 5.4% y-o-y which outpaced gross impaired loans growth of 1.5% y-o-y. This was achieved via tighter underwriting criteria as well as stronger recoveries. Improvements were driven by recoveries as opposed to write-offs. In FY2025 our bad debt recoveries increased 9.5% y-o-y while bad debts written off contracted by 10.3% y-o-y. The Group and the Bank have made management overlays to address potential deterioration in credit risks across large corporate, retail, small and medium enterprises (SME), and overseas portfolios. In determining the management overlays, Management evaluates a range of possible outcomes by considering past events, current conditions and trends, as well as forward looking economic outlooks. The application of structured management overlays is subject to a robust review and governance process to ensure the adequacy of ECL.

RHB

Strategy

Shareholder's Name	Question 11
CHEW HON MUN	For FY2025, the ROE improved to 10.5%, but remains well below the 2027 target of ≥12%. Similarly, the Cost-to-Income Ratio (CIR) rose to 47.3% in 2025, moving away from the 2027 target of ≤44.8%. Given that these targets were missed in the previous cycle, what specific "needle-moving" initiatives in 2026 will ensure the Bank does not miss these targets for a second consecutive strategic cycle?

Response

We believe RHB remains on track to achieve the ROE and CIR targets by 2027. For ROE, RHB has consistently improved our performance over the last few years, improving to 10.5% in FY2025, from 10.0% in FY2024 and 9.5% in FY2023. In FY2026, we are targeting ROE of 10.8%-11.0%, through:

- Accelerating fee-based income from wealth and bancassurance;
- Limit cost growth below 4%, and achieve CIR between 46%-47%;
- Prioritise loans growth in higher yielding segments, complemented by sustained momentum in our core retail segments; and
- Sustain a healthy CASA ratio of ≥ 30% .

Strategy

Shareholder's Name	Question 12
CHEW HON MUN	A shareholder at the 59th AGM pointed out that RHB did not offer direct FD placement via exchange and that the process was less competitive than other top banks. Management committed to reviewing the process for enhancements. **Follow-up Question:** Can Management provide an update on the results of this review? Specifically, has RHB simplified the digital FD placement process to match industry peers, and has this resulted in a higher portion of FDs being placed via digital channels versus over-the-counter?

Response
With the revamp of the new Mobile Banking launched since April’25 onwards, the Term Deposit user journey was redesigned to be more simplified and straightforward to address common feedback from our customers. We have since then observe a shift of FDs placed via digital channels surpassing over the counter at a ratio of 65% : 35%

Strategy

Shareholder's Name	Question 13
CHEW HON MUN	While the loss in Thailand narrowed in 2025, the Group's risk report still identifies asset quality in Cambodia and Thailand as an "elevated concern". To what extent is the Thailand operation being "synergized" with Malaysia to support domestic clients, and is the Board considering a more radical restructuring if asset quality does not stabilize by the end of 2026?

Response
Thailand and Cambodia remain the key watch-points from an impaired loan perspective. Our approach remains market-specific, with tighter origination standards, active remediation and selective growth. Thailand is not being managed in isolation. It already forms part of the Group’s broader regional platform, particularly in treasury, FX and cross-border transactional services. So there is already a degree of synergy with the domestic and regional office. With regards to the question on restructuring, the Board will remain pragmatic and disciplined in protecting shareholders’ value and there is no plan to restructure Thailand operation at this juncture.

Strategy

Shareholder's Name	Question 14
CHEW HON MUN	Last year, you outlined a RM500 million cost take-out plan. The 2025 report mentions this has been upgraded to RM800 million. Since the CIR is currently trending higher, can the Board provide a breakdown of how much of the RM158 million "saved" in 2025 was truly structural versus timing-related?

Response
Of the RM158 million cost savings reported in 2025, approximately RM129 million (around 82%) represents structural savings that will recur; reducing the Group’s cost base. The RM129 million of structural savings are derived mainly from cost reductions related to Personnel (FTE reductions), Medical, IT and Branch Optimisation.

RHB

Strategy

Shareholder's Name	Question 15
CHEW HON MUN	The 2025 report shows a decline in the Mobile Banking App CSAT score from 81% in 2024 to 75% in 2025. Given that the "refreshed" mobile app was launched specifically to improve user experience, why did customer satisfaction drop so significantly after its release? What specific feedback led to this lower score, and what technical remediations are being implemented in 2026 to reach the target of >81%?

Response
The decline in Mobile Banking App CSAT from 81% to 75% in 2025 was primarily driven by transitional factors following the launch of the refreshed app in April 2025. Customer feedback indicates that the lower scores were largely attributed to users adjusting to the new interface, including changes in navigation, feature placement, and overall user flow. Encouragingly, positive customer sentiment trend showing improvement from July 2025 as familiarity with the new platform increases, indicating that the initial decline was not structural but transitional, and we are confident of restoring CSAT to above 81% in 2026.

RHB

Policies

Shareholder's Name	Question 16
PREM KUMAR A/L HUKAM GOPAL CHAND	Is there a limit to the amount of OTHER BENEFITS to the BOD? What percentage does these OTHER benefits in comparison to the allowance, salaries earned. Do the non Ex Board members enjoy all these OTHER BENEFITS too? The shares allocated to the BOD is based on what ya. Appology on my ignorance too.

Response
For Non-Executive Directors, the remuneration structure comprises three main components: fixed fees, meeting attendance allowances, and benefits. There is no prescribed percentage limit on “other benefits” set for Non-Executive Directors, nor is there a fixed proportion relative to fees or allowances. Nevertheless, there is a ceiling or maximum amount of total remuneration (which includes ‘Other Benefits to the BOD’) of which is payable to the Non-Executive Directors, and this amount is approved by the shareholders via specific resolution, on annual basis at the AGM. Furthermore, the Board Nominating and Remuneration Committee is guided by RHB’s Remuneration Framework and Policy when proposing the main benefits and other benefits as part of the whole remuneration package for the directors. This includes ensuring that Directors are remunerated fairly, which commensurate with their roles and responsibilities, aligned with market practices.

Policies

Response (Cont'd)

Non-Executive Directors are entitled to the said any benefits, in accordance with the applicable terms per their letter of appointment up until they have resigned and no longer hold any directorship within the Group.

At the moment, shares are not allocated to Non-Executive Directors as part of the remuneration package in order to avoid potential conflicts of interest and to preserve the independence of the Board. Currently only executive director (i.e. GMD/CEO) and selected senior officers are entitled to the approved Employee Share Grant Scheme (SGS), which is provided under talent retention scheme on performance management basis.

Others

Shareholder's Name	Question 17
CHAN WAI-SHIN	I'm Wai-Shin Chan, the appointed proxy for Asia Research & Engagement, a mission driven organisation that collaborates with institutional investors to accelerate the energy transition. The Malaysian economy and many RHB clients are affected as the Middle East crisis creates energy price shocks as well as supply risks for industries and consumers. Developing Southeast Asian economies have been hit hard as they viewed gas as a transition fuel, have scaled up gas, and have hesitated to scale renewables. Solar and wind, with battery and grid investments, are now usually cheaper, more secure, and cleaner. So, would RHB Bank: • Articulate how RHB, on the wholesale side, is positioned to support the country through the short-term energy shocks and long-term renewables buildout? • Accelerate efforts to create retail lending products to allow rapid household investments, such as rooftop solar, and even home batteries that can arbitrage intra-day pricing peaks?

RHB

Others

Shareholder's Name	Question 17 (Cont'd)
CHAN WAI-SHIN	We believe these can reduce risks for RHB and its investors, and guide new opportunities in other areas - accelerating the energy transition for all. We are keen to continue engagement and support decision-makers on these topics, to hear your insights, and to share the experiences and expectations of investors and ARE. Please coordinate further engagement with ARE.

Others

Response
Thank you for your note and for sharing your perspectives. On the wholesale side, RHB supports clients through current energy cost challenges, while enabling their transition towards cleaner and more diversified energy sources over time. In the short term, we are working closely with our clients particularly SMEs and energy-intensive sectors to manage elevated energy costs. In response to current energy price volatility, and aligned with Government-led relief initiatives, we proactively identify customers most exposed to energy price shocks and support them through access to programmes such as the Stabilisation Relief Fund (SRF), as well as through restructuring and rescheduling of existing facilities where appropriate.

Others

Response

Over the longer term, our approach is anchored on the Sustainable & Transition Finance Framework (STFF), which was launched in January to not only scale clean and renewable energy take-up but also unlock transition finance to drive energy transformation and embed more diverse and sustainable energy sources over time.

Complementing our wholesale efforts, we are also supporting the transition at the household level through consumer financing solutions, including financing for rooftop solar, green home mortgages, and EVs, to help accelerate broader adoption of clean energy. Our ESG Deposits further serve as a key value differentiator, enabling us to develop a more efficient and integrated sustainable finance ecosystem for households over time.

Overall, our focus is on supporting a practical and orderly transition, balancing near-term resilience with long-term sustainability and energy security.

Gift

Shareholder's Name	Question 18
LIM SEOW PENG	ANY GIFT FOR SHAREHOLDER PARTICIPATING VIA VIRTUAL MEETING?
CHEONG MUN YEI	door gift
ALAN PANG YINJIN	doorgift
LEE JUN HUI	this times have give any doorgift ?
FONG LEE YONG	This year AGM any door gifts for shareholders and Proxies virtual meeting
NG IT SZE @ NG JOO SAI	THIS YEAR AGM DOR GIFTS FOR SHAREHOLDERS AND PROXIES

Response
Kindly be informed that as a matter of policy, no door gift will be provided. However, the Bank will provide a voucher to the Shareholder(s)/Proxy(ies) who attend the AGM, physically or virtually. If a proxy represents multiple shareholders, the proxy will still receive only one (1) voucher.

RHB

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