

NEWS RELEASE

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RHB DELIVERS DIVIDEND PAYOUT RATIO EQUIVALENT TO 61.1% FOR FY2023

KUALA LUMPUR – RHB Bank Berhad (“RHB” or the “Group”) today hosted its virtual 58th Annual General Meeting (“AGM”). During the meeting, ten (10) resolutions were presented to the shareholders, and all ten resolutions were passed. Shareholders were also presented with highlights of the Group’s financial performance for the period ended 31 December 2023 (“FY2023”).

“The Group recorded a net profit of RM2.81 billion, a 4.8% growth from the previous year. Our return on equity was 9.5% for FY2023. The Group’s capital position remained robust with Common Equity Tier-1 (‘CET-1’) at 16.7% and total capital ratio at 19.4%. Basic earnings per share was 65.7 sen (FY2022: 64.0 sen). Our sound credit ratings reflect our prudent financial management and disciplined approach to capital allocation. With healthy capital ratios and liquidity buffers, RHB is well positioned to sustain its operations and pursue new opportunities moving forward,” said Tan Sri Ahmad Badri, Chairman of RHB Bank Berhad.

“We continue to progress in the execution of our ***Together We Progress 2024*** (‘TWP24’) corporate strategy, putting service excellence at the forefront of everything that we do. RHB was recently ranked in the Top 2 in net promoter scores (NPS) among Malaysian banks, ahead of our TWP24 target.”

The Group has made significant strides in promoting sustainability and supporting high-impact sectors in transitioning to low-carbon practices. In FY2023, RHB had cumulatively mobilised RM23.8 billion in sustainable financial services, surpassing its initial RM20 billion target under its 5-year FY2026 sustainability target. It recently raised the target to mobilise RM50 billion in Sustainable Financial Services by 2026.

“Recognising our role in advocating a just and responsible transition to a low-carbon economy, we have also expanded our sustainability pillars to reflect our ‘Commitment to Achieving Net Zero by 2050’, focusing on Reduction of Financed Emissions, Driving Growth in Green Financial Services and Supporting Companies Committed to Carbon Neutrality, and Integration of Sustainable and Low-Carbon Practices into Our Own Operations as key focus areas,” added Tan Sri Ahmad Badri.

The Group’s total dividend for FY2023 was 40 sen per share, which consists of an interim dividend of 15 sen per share, and a second interim dividend of 25 sen per share comprising a cash payout of 15 sen per share and an electable portion under a Dividend Reinvestment Plan of 10 sen per share. This translates to a payout ratio of 61.1% and a dividend yield of 7.3% for the year.

Commenting on its dividend payout for FY2023, Tan Sri Ahmad Badri stated, “The Group remains committed to rewarding its shareholders with consistent dividend payouts while optimising capital utilisation for better returns. In this regard, I am pleased to share that the Group has continuously provided a payout ratio above 50% and an attractive dividend yield between 6% and 7% in the last three years. The Board believes in balancing shareholder returns with investment to support future growth.”

The Group’s shareholders also approved the re-election of the Directors namely, Tan Sri Ahmad Badri Mohd Zahir as Non-Independent Non-Executive Chairman, and Datuk Iain John Lo, Mr Lim Cheng Teck, Puan Hijah Arifakh Othman and Puan Nadzirah Abd Rashid as Independent Non-Executive Directors.

“I would like to extend my utmost appreciation to all our shareholders for their continuous trust, loyalty and confidence in the Group. We remain committed to driving sustained value creation and delivering positive shareholder returns in the coming year,” said Tan Sri Ahmad Badri.