NEWS RELEASE
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RHB'S NET PROFIT UP 7.0% TO RM1.6 BILLION IN 1H FY2025; DECLARED INTERIM DIVIDEND OF 15 SEN PER SHARE

Key Financial Highlights:

- Net profit rose 7.0% year-on-year ("Y-o-Y") from RM1.5 billion to RM1.6 billion, driven by higher net fund-based income and lower expected credit losses ("ECL").
- Net fund-based income grew 5.3% Y-o-Y to RM3.0 billion.
- Declared interim dividend at 15 sen per share.
- Annualised domestic loans grew 4.2%, broadly in line with industry's 4.3%.
- Cost growth contained at 2.1% with cost-to-income ratio ("CIR") at 47.3%.
- Annualised gross loans up 3.1% to RM241 billion, driven by strong momentum in Group Community Banking and Commercial.
- Gross impaired loans ("GIL") ratio contained at 1.51%.
- Annualised customer deposits up 1.1% to RM251 billion, with CASA composition improving to 28.3% from 27.6% in FY2024.
- Islamic financing sustained healthy contribution at 45.4% of total domestic loans, an improvement from 44.6% in FY2024.

Kuala Lumpur - RHB Bank Berhad ("RHB" or the "Group") registered a net profit of RM1.6 billion in the first half of its financial year ending 31 December 2025 ("1H FY2025"), a 7.0% Y-o-Y increase, primarily driven by higher net fund-based income, disciplined credit cost management and improved credit quality, reflecting the Group's strong fundamentals and prudent risk discipline.

Total income expanded marginally at RM4.2 billion, mainly from higher net fund-based income but partially offset with contraction in non-fund based income. The Group maintained operational stability, supported by prudent cost management, continued strength in capital and liquidity positions. Cost growth was contained at 2.1% with CIR at 47.3%.

Dato' Mohd Rashid Mohamad, Group Managing Director/Group Chief Executive Officer of RHB Banking Group said, "The first half of 2025 was marked by global uncertainties and industry headwinds. Despite this, RHB remained resilient in delivering performance with sustained growth, lower ECL, and disciplined cost management. Our domestic loan growth tracked well with the industry, supported by sound asset quality. These results underscore our strength and position us well to capture new growth avenues in the months ahead."

"We remain focused on sharpening the execution of PROGRESS27, our three-year strategic roadmap. The recently concluded strategic bancassurance and bancatakaful partnerships reinforce our commitment to staying relevant to customers, diversifying income streams, and driving sustainable long-term growth. This is aligned to our strategic priorities, enabling us to deliver broader value for stakeholders, strengthen our non-interest income base, and unlock greater opportunities ahead," added Dato' Mohd Rashid.

Strong Capital and Liquidity Position

The Group's total assets rose to RM354 billion, supported by healthy balance sheet growth and prudent capital management. Group shareholders' equity stood at RM33 billion, with the Common Equity Tier-1 ("CET-1") ratio of 15.9% and Total Capital Ratio ("TCR") at 18.3%, reinforcing a strong capital position to support future growth ambitions while providing ample buffers against macroeconomic uncertainties. Whereas the Bank's CET-1 and TCR stood at 14.6% and 17.4%, respectively. Loan loss coverage ratio including regulatory reserves, improved to 116.5%, reflecting sound provisioning practices.

Domestic loan growth of 4.2% (annualised) tracking well against the industry's 4.3%, while the Group's GIL ratio contained at 1.51%, and the domestic GIL ratio was below the industry average, demonstrating sound credit quality.

The Group has delivered RM48 billion in sustainable financial services, achieving more than half of its RM90 billion target for 2027. This underscores its commitment to sustainable financing and supporting the nation's low-carbon transition agenda. Most recently, the Group partnered with Malaysia Rail Link Sdn Bhd ("MRL") to activate the RHB-MRL 360^{0} ESG Finance Ecosystem, a first-of-its-kind sustainable financial value chain transition roadmap. Through this partnership, MRL has placed funds in RHB ESG Deposits to finance green and social projects, embedding sustainability into the core of banking while reinforcing the role of financial flows in driving climate resilience and inclusive economic growth.

Outlook: Building on Momentum

Looking ahead, Malaysia's economy is projected to remain resilient, with strong domestic demand, growth in tourism activity, job creation, and sustained investment activity from both private and public sectors. The Government's Ekonomi MADANI framework is key to guiding sustainable and inclusive growth, emphasising high value activities, fiscal consolidation, and social equity. Initiatives such as the Energy Transition Roadmap and the New Industrial Master Plan 2030, alongside the steady rollout of structural reforms, are expected to further stimulate investment and economic growth. In this environment, the operating landscape remains conducive for the Group to pursue its growth ambitions under PROGRESS27.

Detailed Financial Performance

Net fund-based and non-fund based income

- **Net fund-based income** increased 5.3% Y-o-Y to RM3.0 billion, arising from a 5.9% Y-o-Y growth in gross loans. Net interest margin ("NIM") with liability management was 1.88%.
- **Non-fund based income** declined 10.8% Y-o-Y to RM1.2 billion, primarily due to lower net gain on forex and derivatives, as well as brokerage income.

Operating Expenses and ECL

- Operating expenses was contained at 2.1% Y-o-Y to RM2.0 billion. CIR stood at 47.3%.
- ECL improved significantly by 45.8% Y-o-Y to RM195.2 million mainly from the absence of higher ECL for International Business in the prior year.

Balance Sheet and Capital Position

- The Group's total assets expanded to RM354 billion from RM350 billion in December 2024. Net assets per share was RM7.66, and shareholders' equity stood at RM33 billion as of 30 June 2025.
- The Group's capital position remained robust, with CET-1 and TCR at 15.9% and 18.3%, respectively.

- On an annualised basis, the Group's gross loans grew 3.1% to RM241 billion, supported by 5.2% and 13.6% growth in the Group Community Banking and Commercial segments, respectively. Domestic loans grew 4.2%, tracking well against the industry's growth of 4.3%.
- The Group's GIL increased marginally to RM3.6 billion, with a GIL ratio of 1.51%, from 1.47% (RM3.5 billion) in December 2024. Domestic GIL ratio at 1.27% (December 2024: 1.19%), lower than industry's GIL ratio of 1.42% (December 2024: 1.44%).
- Loan loss coverage ratio for the Group, including regulatory reserves, improved to 116.5%, and 77.5% without regulatory reserves.
- Annualised customer deposits grew 1.1% to RM251 billion, with CASA composition improving to 28.3% (December 2024: 27.6%). The liquidity coverage ratio ("LCR") remained sound at 134.9%.
- As of 30 June 2025, the Multi Currency Accounts ("MCA") balances grew to RM8.8 billion. Total CASA from MySiswa ecosystem grew by 30% YTD to RM566 mil. Total deposits from the ecosystem amounted to RM3.8 bil.

Second Quarter FY2025 Earnings against Second Quarter FY2024

- The Group's net profit for 2Q FY2025 grew 11.2% Y-o-Y from RM722.3 million to RM803.5 million, attributed to higher net fund based income and lower ECL.

Business Segment Performance

Group Community Banking

- Pre-tax profit: RM820.5 million.
- Gross loans (annualised): RM154 billion (+5.2%), driven by mortgage (+7.3%), auto finance (+9.5%) and Middle Market SME (+8.4%).
- Deposits (annualised): RM129 billion (+7.5%), contributed by CASA (+3.0%) and fixed deposits (+9.8%).

Group Wholesale Banking

- Pre-tax profit: RM1,187.2 million (+2.5%).
- Gross loans (annualised): RM54 billion (+1.0%), driven by Commercial (+13.6%).
- Deposits: RM84 billion.

Group International Business

- Pre-tax profit: RM176.9 million (+>100%).
- Gross loans: RM34 billion.
- Deposits (annualised): RM38 billion (+3.4%), driven by CASA (+19.3%).

Group Shariah Business

- Pre-tax profit: RM428.9 million.
- Gross financing (annualised): RM94 billion (+7.7%).
- Islamic business contribution of the Group's total domestic gross loans improved to 45.4% (December 2024: 44.6%).

Group Insurance

- Pre-tax profit: RM45.6 million (+50.5%)

Key Financial Highlights

Financial Performance (RM million)	6 Months Ended 30 June 2025	6 Months Ended 30 June 2024
Net income	4,203	4,200
Operating profit before allowances	2,216	2,254
Profit before taxation	2,005	1,884
Profit attributable to equity holders of the Company	1,554	1,452
Basic earnings per share (sen)	35.64	33.74
Balance Sheet (RM million)	**As at 30 June 2025**	**As at 31 December 2024**
Gross loans	241,400	237,758
Gross impaired loans ratio (%)	1.51%	1.47%
Customer Deposits	250,920	249,565
Total assets	353,596	349,915
Equity attributable to equity holders of the Company	33,378	32,492
Net assets per share (RM)	7.66	7.45

This release contains forward-looking statements such as the outlook for the RHB Banking Group. Although RHB believes that the expectations reflected in such future statements are reasonable at this time, there can be no assurance that such expectations will prove correct subsequently. Actual performance may be materially different from that which had been anticipated or described herein, and RHB Banking Group's financial and business plans may be subject to change from time to time.