NEWS RELEASE

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RHB'S NET PROFIT UP 7.1% TO RM1.7 BILLION IN 1H FY2026; DECLARED INTERIM DIVIDEND OF 15 SEN PER SHARE

Key Highlights:

- Interim dividend at 15 sen per share.
- Net profit stood at RM1.7 billion for 1H FY2026, supported by higher total income, effective cost management and lower expected credit losses ("ECL").
- Steady growth in total income at RM4.4 billion.
- Net fund based income grew stronger at RM3.1 billion while non-fund based income remained steady at RM1.2 billion.
- Cost growth contained at 2.6% as cost-to-income ratio ("CIR") improved to 46.8%.
- Gross loans stood at RM258 billion, supported by steady growth across Group Community Banking, Group Corporate and Business Banking, and Singapore.
- Customer deposits stood at RM268 billion, with CASA ratio at 27.6%.
- Islamic financing contributed 47.1% of total domestic financing.

Kuala Lumpur - RHB Bank Berhad ("RHB" or the "Group") recorded a net profit of RM1.7 billion for the first half of its financial year ending 31 December 2026 ("1H FY2026"). This performance was supported by steady total income, disciplined cost management, and improvement in credit quality.

Total income stood at RM4.4 billion, contributed by both net fund based and non-fund based income streams. The Group maintained prudent cost discipline, with cost growth contained at 2.6% resulting in an improved CIR of 46.8%, while continuing to maintain strong capital and liquidity positions.

Dato' Mohd Rashid Mohamad, Group Managing Director/Group Chief Executive Officer of RHB Banking Group, said, "Our first half performance reflects the disciplined execution of PROGRESS27, supported by effective cost optimisation, sound asset quality and purposeful innovation. We are making steady progress in transforming RHB into a more trusted and customer-centric solutions partner, with a continued focus on delivering sustainable value to our customers.

"During the quarter, we launched RHB PAY, Malaysia's first bank-owned unified online payment gateway, strengthening our digital payment capabilities and enabling us to better support our merchants. RHB PAY is expected to be a key catalyst for strengthening merchant partnerships, expanding transaction flows and driving up to RM500 million in incremental CASA growth by year-end.

"We are encouraged by the progress we have made so far, driven by the commitment of our people and our continued efforts to make banking simpler, faster and more relevant for our customers."

Robust Capital Position

The Group maintained a strong capital position, with its Common Equity Tier-1 ("CET-1") ratio and Total Capital Ratio ("TCR") at 14.8% and 17.1%, respectively, as at 30 June 2026, providing solid buffers against external uncertainties. Total assets increased to RM379 billion, while shareholders' equity stood at RM34 billion.

Consistent Shareholder Returns
The Group declared an interim dividend of 15 sen per share, reflecting its resilient performance and commitment to providing consistent shareholder returns.

Outlook: Focused on Sustainable Growth
Malaysia's economy is expected to remain resilient, with RHB Economics forecasting growth of 5.4% in 2026, supported by domestic demand, investment activity and continued expansion in key sectors, particularly electrical and electronics ("E&E"). Nevertheless, the operating environment remains subject to external risks, including evolving global trade policies, geopolitical developments and market volatility.

Detailed Financial Performance

Net fund based and non-fund based income

- Net fund based income grew 5.3% YoY to RM3.1 billion, supported by 7.0% YoY gross loans growth and lower funding cost. Net interest margin ("NIM") with liability management stood at 1.86%.
- Non-fund based income held steady at RM1.2 billion as higher fee income compensated the lower treasury income.

Operating Expenses and ECL

- Operating expenses growth contained at 2.6% YoY to RM2.0 billion. With positive JAW, CIR improved from 47.3% to 46.8% in 1H FY2026.
- ECL improved 12.7% YoY to RM170 million from RM195 million primarily driven by lower ECL on loans.

Capital and Financial Positions

- Capital position remained robust with CET-1 and TCR at 14.8% and 17.1%, respectively.
- Total assets rose to RM379 billion from RM358 billion in December 2025. Net assets per share and shareholders' equity stood at RM7.81 and RM34 billion, respectively.
- Annualised gross loans grew 6.1% to RM258 billion, attributed to 5.4%, 3.2% and 16.4% growth in the Group Community Banking, Group Corporate and Business Banking, and Singapore segments respectively.
- Group GIL ratio stood at 1.47% while domestic GIL ratio at 1.27%, remained below the industry's average of 1.43%.
- Loan loss coverage ratio, including regulatory reserves at 115.4%.
- Annualised customer deposits grew 12.4% to RM268 billion with CASA ratio at 27.6%. The Group maintained sound liquidity coverage ratio ("LCR") at 138.3%.
- As at 30 Jun 2026, Multi-Currency Accounts ("MCA") balances was RM9 billion. CASA from the MySISWA ecosystem grew 3.4% (annualised) to RM0.6 billion. Total deposits from the ecosystem grew 14.7% (annualised) to RM4 billion.

Second Quarter FY2026 Earnings against Second Quarter FY2025

- The Group's net profit for 2Q FY2026 grew marginally YoY from RM804 million to RM807 million, attributed to higher total income and lower ECL.

Business Segment Performance

Group Community Banking

- Pre-tax profit: RM529 million (YoY: 5.4%).
- Gross loans (annualised): RM134 billion (5.4%), led by mortgage (5.7%) and auto finance (8.1%).
- Deposits: RM93 billion.

Group Corporate and Business Banking

- Pre-tax profit: RM772 million (YoY: -3.3%).
- Gross loans (annualised): RM84 billion (3.2%), driven by Commercial (18.4%).
- Deposits (annualised): RM92 billion (4.0%), contributed by fixed and investment deposits (15.1%).

Group Wholesale Banking

- Pre-tax profit: RM838 million (YoY: 16.0%).
- Gross loans (annualised): RM3 billion (14.2%).
- Deposits (annualised): RM43 billion (74.1%), contributed by fixed and investment deposits (74.7%).

Group International Business

- Pre-tax profit: RM262 million (YoY: 62.0%).
- Gross loans (annualised): RM37 billion (15.3%), driven by Singapore (16.4%).
- Deposits (annualised): RM40 billion (17.7%), contributed by fixed and investment deposits (35.0%).

Group Shariah Business

- Pre-tax profit: RM622 million (YoY: 45.1%).
- Gross financing (annualised): RM104 billion (7.7%).
- Islamic business contribution to the Group's total domestic financing improved to 47.1% (December 2025: 46.4%).

Group Insurance

- Pre-tax profit: RM26 million (YoY: -42.6%).

Key Financial Highlights

Financial Performance (RM million)	6 Months Ended 30 June 2025	6 Months Ended 30 June 2026
Net fund based income	2,978	3,137
Non-fund based income	1,224	1,220
Net income	4,203	4,357
Operating profit before allowances	2,216	2,319
Profit before taxation	2,005	2,125
Profit attributable to equity holders of the Company	1,554	1,664
Basic earnings per share (sen)	35.64	38.15
Financial Position (RM billion)	**As at 31 December 2025**	**As at 30 June 2026**
Gross loans	251	258
Total assets	358	379
Customer deposits	253	268
Equity attributable to equity holders of the Company	34	34
Net assets per share (RM)	7.83	7.81

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.