

**GROWING  
TRUST  
CONNECTING  
PEOPLE**



**AmBank Group**

# H1FY2021 RESULTS

## MEDIA PRESENTATION

30 NOVEMBER 2020

# **GCEO PRESENTATION**

## **Dato' Sulaiman Mohd Tahir**

- 3 H1FY21 Financial Snapshot**
- 4 Outlook for 2020**
- 5 Repayment Assistance**
- 6 FY21 Agenda**

# H1FY21 Financial snapshot





	H1FY21 Financials				Sustained revenue and PBP growth Top up RM205m macro provisions in Q2FY21
Profitability (RM' mil)	Income	2,247 <i>H1FY20: 2,133</i>	▲	5%	• Underlying income up 7% YoY, excluding net modification loss of RM35m
	Expenses	1,062 <i>H1FY20: 1,055</i>	▲	1%	• Cost well-contained
	PBP	1,185 <i>H1FY20: 1,079</i>	▲	10%	• Maintained positive JAWS, CTI of 47.3%. Underlying PBP up 13% YoY
	Impairment	382 <i>H1FY20: 77</i>	▲	>100%	• Additional RM205mil macro provisions made in Q2. Total macro overlay of RM382mil (carried forward)
	PATMI	602 <i>H1FY20: 711</i>	▼	15%	• Underlying net profit of RM792mil, up 11%
	ROE	6.3% <i>H1FY20: 7.9%</i>	▼	160bps	• Underlying ROE 8.3%; underlying ROTE at 9.5%
Assets & Liabilities (RM' bil)	Gross Loans	110.6 <i>FY20: 107.2</i>	▲	3%	• Loans growth driven by Retail and Business Banking
	Deposits	114.8 <i>FY20: 113.0</i>	▲	2%	• CASA up 18%
Capital & Liquidity	FHC CET1	13.5% <i>FY20: 12.4%<sup>1</sup></i>	▲	105bps	• Adequate capitalisation
	FHC LCR	155.4% <i>FY20: 158.2%</i>	▼	280bps	• Highly liquid
	Dividend per share	NIL <i>H1FY20: 6 sen</i>	▼	6 sen	• Deferred interim dividends as additional prudence

1. After deducting proposed dividends



# Outlook for 2020

## Malaysia

 <b>GDP Growth</b>	 <b>Inflation</b>	 <b>Export growth</b>	 <b>USD/MYR outlook</b>
<b>-5.3% to -5.7%</b>	<b>-0.9% to -1.1%</b>	<b>-3.5%</b>	<b>4.10 to 4.12</b>

## Banking sector

 <b>Loans growth</b>	 <b>Asset Quality</b>	 <b>OPR</b>	 <b>Liquidity &amp; capital positions</b>
<b>4.0% to 5.0%</b>	<b>Weaker</b>	<b>1.75%</b>	<b>Resilient</b>

# Repayment assistance – Overview and Retail portfolio

## Overview



### BNM's Loan Moratorium

(ended on 30 Sep 2020)

**~RM64bil**

(60% of total gross loans @ 30 Jun 2020)



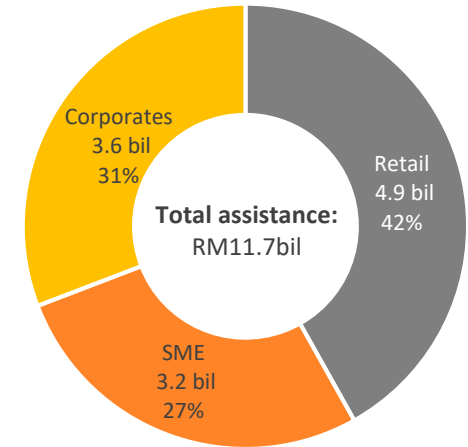
### Repayment assistance

(To-date @ 13 Nov 2020)

**RM11.7bil loans outstanding**

(11% of total gross loans)

## Repayment assistance by type of borrowers



## Retail<sup>1</sup>



### Repayment assistance

**30k accounts**

**RM4.9bil loans outstanding**

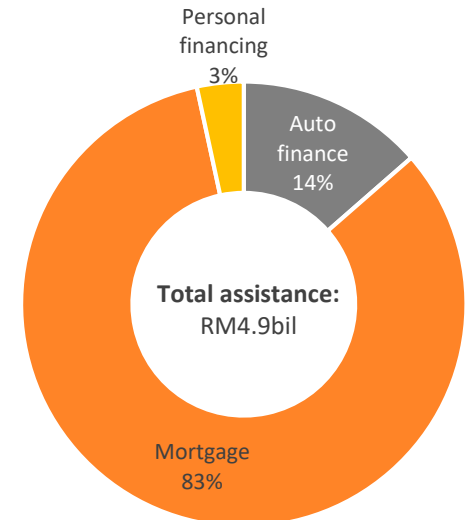
(8% of RM58.0bil of Retail Banking<sup>1</sup> portfolio)



### Approval rate

**99.97%**

## Repayment assistance by Retail products



1. Retail Banking excluding Retail SME

# FY21 Agenda



## H2FY21 OUTLOOK

- Economic uncertainties amid resurgence of COVID-19
- Fixed income trading gain tapering off
- Emergence of credit risk and debt rehabilitation support



## ENGAGE AND SUPPORT

- Repayment assistance for targeted customers
- COVID-19 related financing schemes
- Staff welfare and engagement



## PROTECT

- Macro overlay, continue to exercise credit vigilance
- Sound capital and liquidity positions
- Dividend deferral



## FOCUS 8

- Digital initiatives (E-KYC)
- Efficiency programme (Pareto)
- Balance sheet restructuring

# **GCFO PRESENTATION**

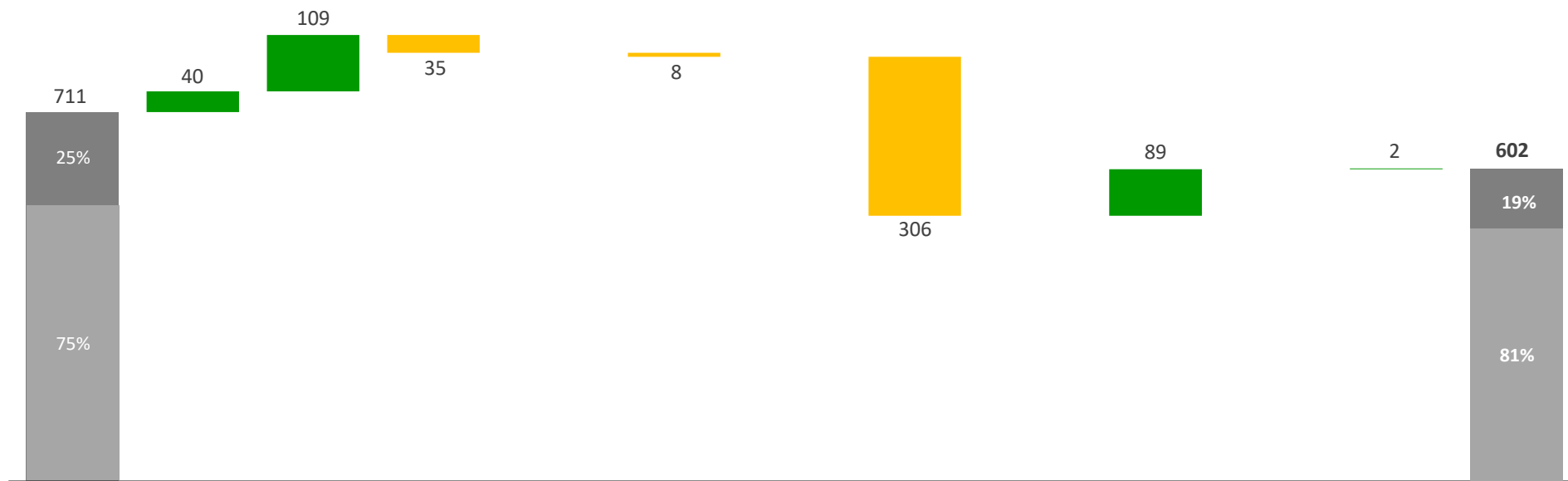
## **Jamie Ling**

**8 - 12    Financial Overview**

# P&L walk

	NIM	NoII %	CTI	Effective Tax Rate
H1FY21	1.76%	39.8%	47.3%	15.8%
H1FY20	1.89%	36.8%	49.4%	21.5%

YoY Growth    ▲ 3%    ▲ 14%    ▲ 5%    ▲ 1%    ▲ 10%    ▲ >100%    ▼ 20%    ▼ 41%    ▼ 14%    ▼ 2%    ▼ 15%



RM' mil	Net Interest Income	Non-Interest Income	Net mod loss	Total Income	Expenses	PBP	Impairment	PBT	Tax & Zakat	PAT	MI	PATMI
H1FY21	1,388	893	(35)	2,247	1,062	1,185	382	802	128	674	72	602
H1FY20	1,349	785	-	2,133	1,055	1,079	77	1,002	217	785	74	711

■ Positive growth in H1FY21    ■ Contraction in H1FY21    ■ Conventional PATMI    ■ Islamic PATZ





# Loans growth driven by Retail and Business Banking

## Gross Loans Movement (RM' bil)

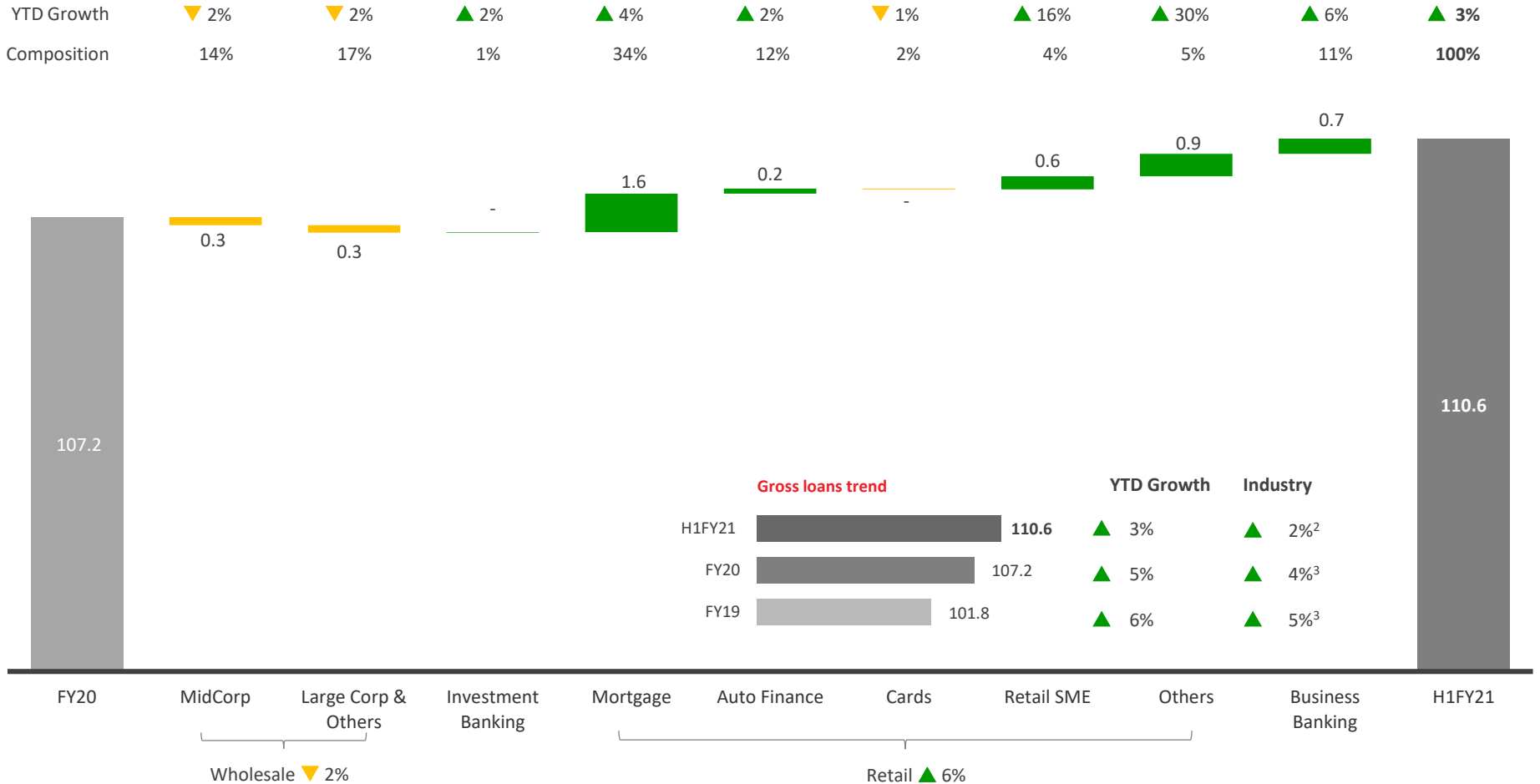
Breakdown by rate sensitivity:  
Fixed rate – 21%  
Variable rate – 79%

Breakdown by concept:  
Islamic – 31%  
Conventional – 69%

Breakdown by customers type:  
Retail – 56%  
Non-retail – 44%

ROA<sup>1</sup>: 0.81%

RoTA<sup>1</sup>: 0.83%

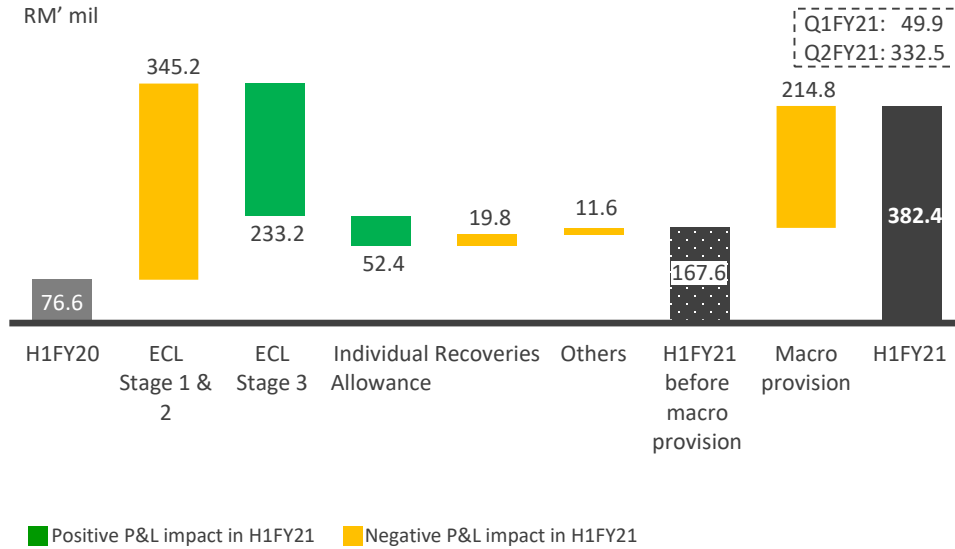


■ Positive growth in H1FY21    ■ Contraction in H1FY21

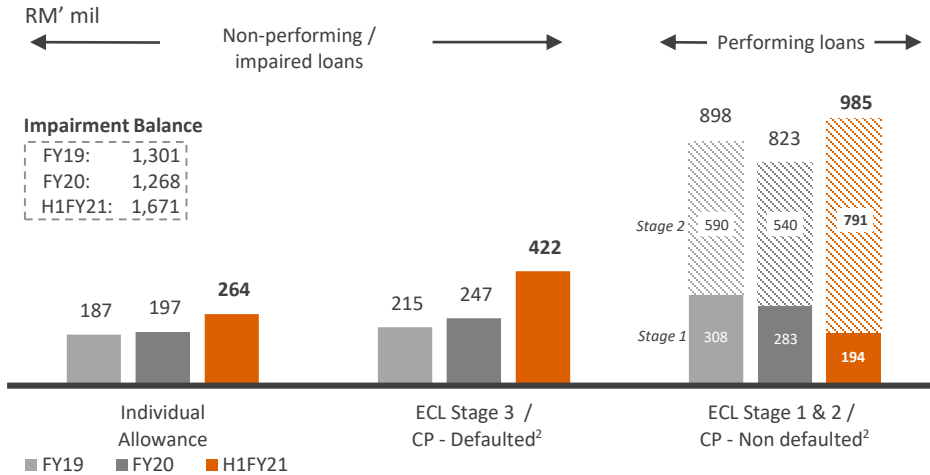
1. Annualised  
2. Based on BNM data from Mar'20 to Sep'20  
3. Based on BNM data and in accordance with AMMB's financial period

# Credit quality

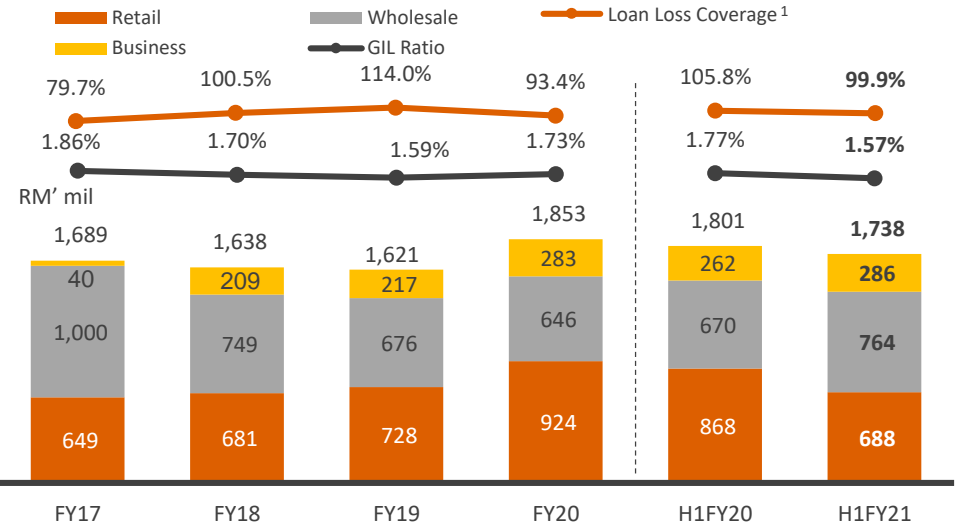
## Net Impairment (YoY Movement)



## Impairment Balance (Balance Sheet)



## Gross Impaired Loans, GIL and LLC Ratios



1. Includes regulatory reserve of RM703m (FY18), RM450m (FY19), RM388m (FY20), RM590m (H1FY20), NIL (H1FY21)

## Credit Cost and New Impaired Loans Formation

AmBank Group	FY17	FY18	FY19	FY20	H1FY20	H1FY21	H1FY21 (excl. macro provision)
Credit cost <sup>3</sup> (%)	-0.19%	0.00%	-0.30%	0.30%	0.12% <sup>4</sup>	0.73% <sup>4</sup>	0.34% <sup>4</sup>
Credit cost <sup>3</sup> (excl. recoveries) (%)	0.56%	0.47%	0.53%	0.62%	0.54% <sup>4</sup>	1.08% <sup>4</sup>	0.69% <sup>4</sup>
New Impaired Loans Formation (RM' mil)	1,330	1,162	1,123	1,491	935	438	N/A

3. Includes loan loss allowances only

4. Annualised

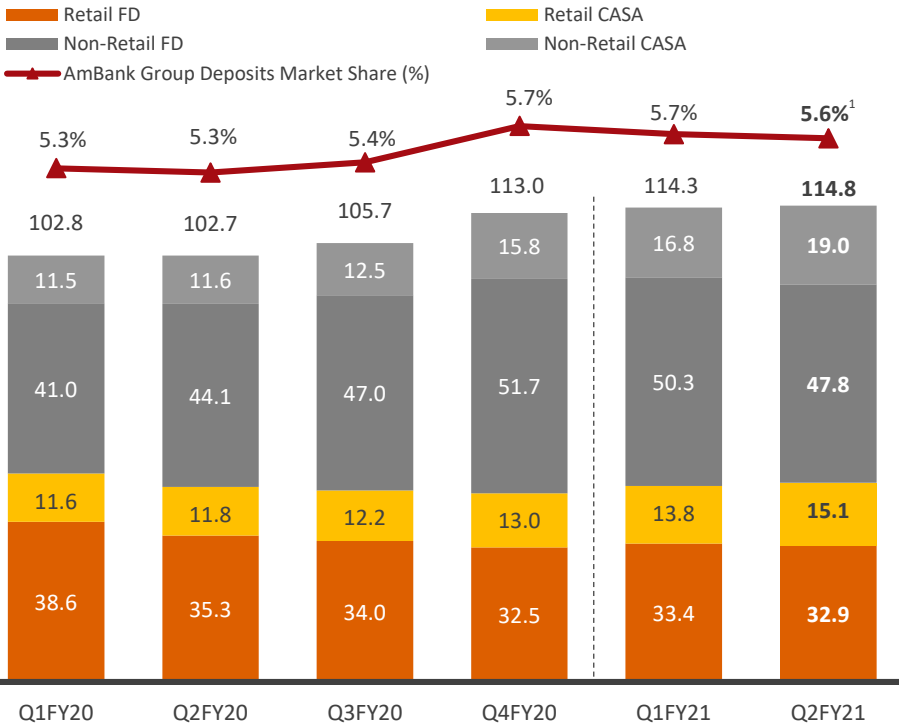


# Stable customer deposits, CASA trending higher

## Deposits (RM' bil)

### Customer Deposits Trend

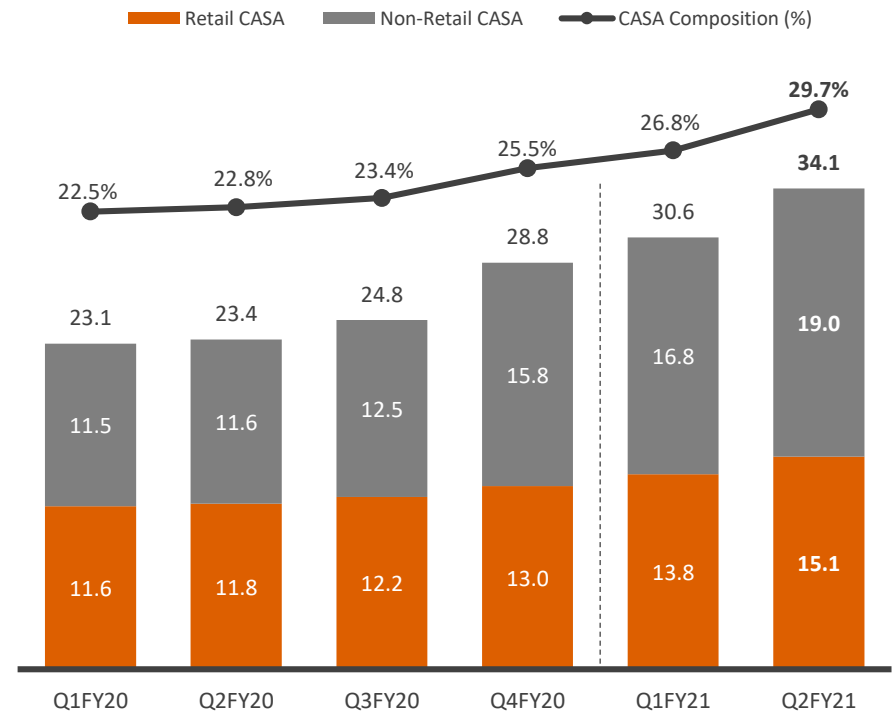
Period	Deposits (RM' bil)	YTD Growth	Industry
H1FY21	114.8	▲ 2%	▲ 4% <sup>1</sup>
FY20	113.0	▲ 6%	▲ 2% <sup>2</sup>
FY19	106.9	▲ 12%	▲ 5% <sup>2</sup>



## CASA (RM' bil) and CASA Composition (%)

### CASA Trend

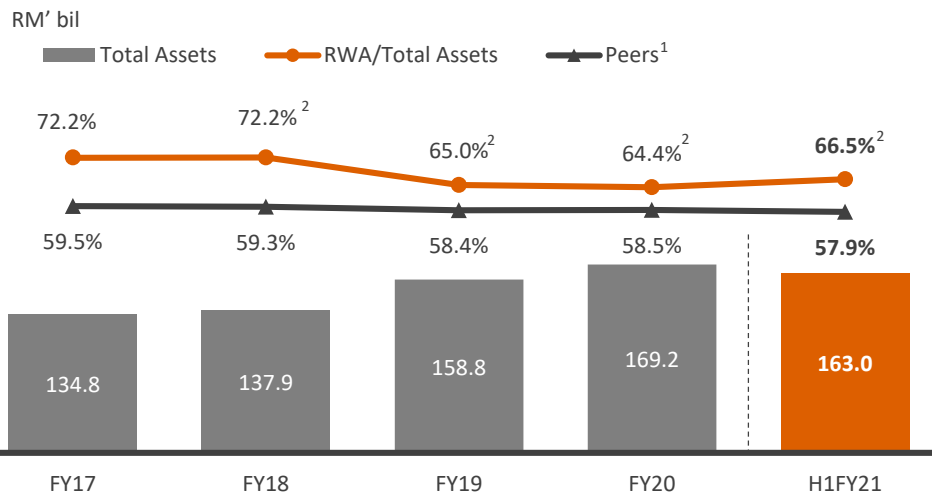
Period	CASA (RM' bil)	YTD Growth	Industry
H1FY21	34.1	▲ 18%	▲ 12% <sup>1</sup>
FY20	28.8	▲ 16%	▲ 10% <sup>2</sup>
FY19	24.9	▲ 22%	▲ 3% <sup>2</sup>



1. Based on BNM data from Mar'20 to Sep'20  
 2. Based on BNM data and in accordance with AMMB's financial period

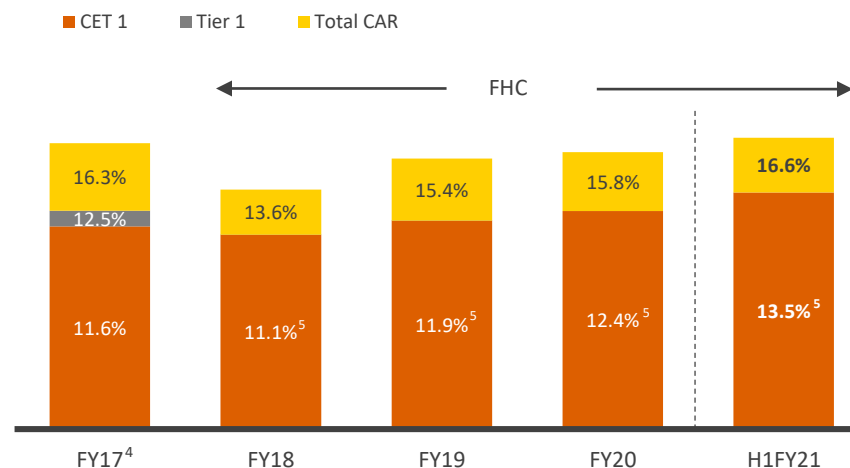
# Sound capital and liquidity positions

## RWA/Total Assets



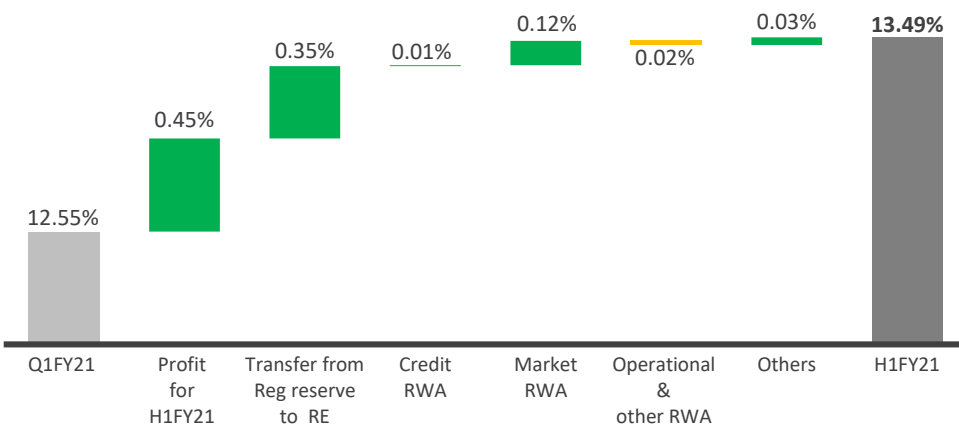
1. Based on an average of our seven peer domestic banks as at 30 Jun 2020  
2. FHC RWA/Total Assets

## Capital Adequacy Ratios<sup>3</sup>



3. After deducting proposed dividends  
4. Aggregated banking entities  
5. FHC CET 1 and Tier 1 ratios are the same

## Financial Holding Company CET1 (QoQ Movement)



■ Positive growth in Q2FY21    ■ Contraction in Q2FY21

## Liquidity Ratios

Ratios	FY19	FY20	H1FY21
FHC LCR	192.9%	158.2%	155.4%
LDR	95.3%	94.9%	96.3%
LTAF <sup>6</sup>	83.0%	81.5%	85.4%
NSFR <sup>7</sup>	>115%	>100%	>100%

6. Loan-to-Available-Funds ratio (LTAF) refers to gross loans (excluding financing funded by Islamic Investment Accounts and loans sold to Cagamas) divided by deposits plus borrowings and sub debt  
7. BNM has lowered the minimum NSFR requirement from 100% to 80%, effective from Apr'20 to Sep'20



**THANK YOU**

