



Retail Banking

CHEONG CHEE WAI
Managing Director



TOP ACHIEVEMENTS IN FY2026

Expanded Product Offerings

- Relaunched Mudarabah Term Investment Account-i (MTIA-i) as a stable, low-risk option for yield-seeking customers.

Accelerated Hire Purchase Growth

- Recorded over 50% YoY growth in Hire Purchase new sales.

Enhanced Credit Card Value Proposition

- Refined Mass-segment offerings through the relaunch of the Cash Rebates Card and the BonusLink co-branded card.

Digital Transformation and Ecosystem Integration

- Expanded AmOnline capabilities to support ASB Financing applications, while integrating eFX and FCCA services to enhance foreign currency account management.

WHO WE ARE AND WHAT WE DO

Retail Banking offers a comprehensive suite of conventional and Shariah-compliant financial solutions, ranging from deposit and financing products to sophisticated wealth management and everyday banking services. Anchored by the Group's Winning Together 2029 (WT29) strategy, the business is focused on strengthening its position as a primary net funder by deepening deposit growth and delivering targeted propositions across affluent, mass-affluent and mass segments.

To drive sustainable growth, our execution focuses on three priorities:

➔ **Portfolio Resilience:** Sustain financing growth while maintaining stable delinquency through disciplined risk management.

➔ **Scalable Digital Acquisition:** Expand digital onboarding and engagement to drive cost-efficient customer acquisition.

➔ **Operational Excellence:** Simplify processes and reduce manual friction to accelerate turnaround time and improve cost efficiency.



BUSINESS ENVIRONMENT

Retail Banking continues to operate in a growth oriented yet increasingly uncertain environment. Globally, business activity remains susceptible to geopolitical volatility, which continues to introduce friction across supply chains and commodity flows. Locally, digital-only banks, e-wallet ecosystems, and fintech-based lending and payments are rapidly reshaping the Malaysia's retail banking landscape and intensifying competitive pressures, requiring banks to continuously adapt to evolving customer expectations and market dynamics.

Collectively, these external headwinds have contributed to a more cautious economic outlook, weighing on household disposable income and influencing consumer spending and borrowing behaviour. At the same time, the industry has seen heightened regulatory oversight focused on fraud prevention and data integrity. The implementation of robust fraud controls remains a strategic priority to safeguard customer assets and reinforce institutional trust.

RISKS

- **Emerging Competition:** Competition from digital-only banks for frictionless user experiences (UX), instant onboarding and hyper-personalised offerings.
- **Security vs. Usability Restrictions:** Stringent cybersecurity and anti-fraud mandates potentially compromising app usability and the customer journey.
- **Macroeconomic Pressures:** Geopolitical tensions and inflationary pressures may dampen lending demand while increasing delinquency risks across vulnerable segments.



RESPONSES

- **Digital Ecosystem Optimisation:** Accelerated the digitalisation of onboarding and operational processes.
- **Strategic Anti-Fraud Integration:** Implemented regulatory-mandated anti-fraud measures, complemented by customer communication and education programmes to reinforce user confidence.
- **Strengthening Resilience:** Retail Banking mitigates the impact of geopolitical and inflationary pressures through disciplined portfolio management, early risk detection and intervention, product and pricing optimisation and targeted customer support for vulnerable segments.

OPPORTUNITIES

- **Digital Banking Shift:** Sustained shift toward digital banking provides an outlet to deepen customer engagement and drive automated cross-selling initiatives.
- **Robust Security Feature:** Security frameworks and reduced fraud volatility offer a strategic advantage in reinforcing customer confidence and brand loyalty.
- **Demand for Defensive and Capital-Preservation Products:** Increasing demand for stable, low-risk investment products as risk appetite has moderated, customers remain active by shifting asset allocations toward stability and liquidity.



RESPONSES

- **Platform Enhancement:** Ensured continuous upgrades to AmOnline capabilities for a seamless, market-leading customer journey.
- **Robust Fraud Containment:** Maintained cybersecurity occurrences and fraud losses within risk appetite through enhanced security protocols.
- **Agile Credit and Pricing Management:** Maintained competitive positioning across mortgage, ASB financing and hire purchase through dynamic pricing, while de-risking the unsecured portfolio toward higher-quality segments.

Business Review

Retail Banking

STRATEGIC BUSINESS PERFORMANCE REVIEW

Stakeholder Value Creation



Customers

Enhanced accessibility and choice through streamlined digital onboarding and a diversified suite of well-designed financial solutions, delivering faster and more secure banking journeys.



Shareholders and Investors

Build operational excellence and portfolio resilience while enhancing efficiency and expanding digital businesses to support sustainable returns and long-term value creation.



Employees

Strengthened employee up-skilling and future-ready workforce capabilities through digital, service excellence, and leadership training programmes.

Strategic Priorities

Progress and Achievements

1. Segment Strategy

Delivered targeted product propositions and integrated wealth solutions across affluent, mass-affluent and mass segments through both physical and digital channels.

- **MTIA-i Relaunch:** Successfully relaunched the Mudarabah Term Investment Account-i (MTIA-i), delivering robust performance with strong customer uptake and accelerated growth.
- **Card Portfolio Enhancement:** Revitalised mass-segment value propositions for Cash Rebates and BonusLink co-branded cards, driving a significant uplift in new-to-card acquisition.
- **AmBank@Work Expansion:** Launched the AmBank@Work payroll salary deduction scheme designed to deepen engagement with corporate clients while supporting CASA acquisition growth. Through partnerships with employers, employees are able to enjoy a more seamless banking experience with value-added rewards and benefits tied to salary crediting and payroll arrangements. While still in early stages, this reflects Retail Banking's continued focus on building sustainable low-cost deposit base.

2. Digital Acceleration

Scaled digital capabilities and onboarding journeys to expand the customer base, strengthen engagement and meet rising expectations for speed and convenience.

- **Seamless CASA Onboarding:** Enhanced the end-to-end digital Current Account/Savings Account (CASA) journey, leading to a 100% increase (2x growth) in digital account openings through AmOnline within six months.
- **Digital Growth:** Achieved an 11% YoY increase in mobile app users, significantly strengthening digital proposition.

3. Operational Excellence

Simplified end-to-end retail lending and onboarding journeys across key products (i.e. mortgages, deposits, cards and hire purchase) while reducing friction and operating costs to accelerate time-to-market.

- **Digital Process Transformation:** Digitalised and automated retail lending onboarding journeys to improve service efficiency and competitiveness.
- **Service Efficiency:** Improved customer satisfaction through service guarantee, enhancing competitiveness in Hire Purchase.



TARGETS



Achieve Net Funder status by **driving core deposit growth and optimising the retail funding base.**



Deliver tailored propositions to **high-value retail segments through data-driven insights** and optimised omnichannel distribution.



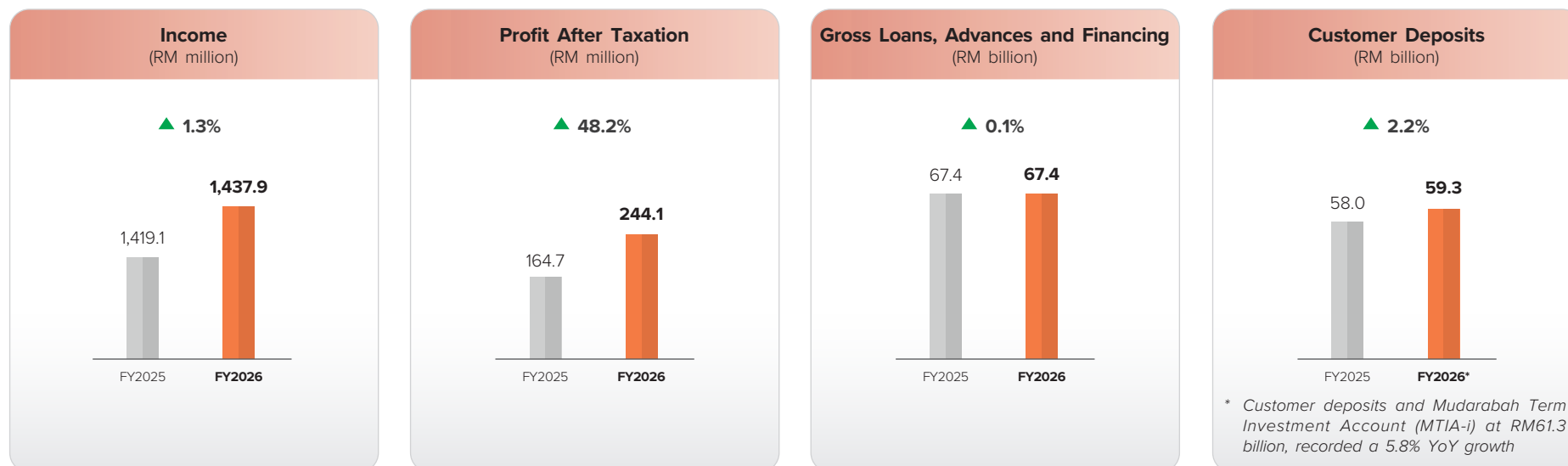
Scale the digital agenda to **enable cost-efficient customer acquisition while meeting demands** for speed and convenience.



Re-engineer end-to-end retail lending and onboarding journeys to **drive scalable growth, enhanced customer experience, and long-term cost sustainability.**

FY2026 RESULTS AND OUTCOMES

Financial Performance and Highlights



Sustainability Highlights



The implementation of electronic agreements reduces paper usage, thereby lowering carbon emissions and contributing to a smaller overall carbon footprint.



Execution of digital onboarding enhances operational efficiency while minimising reliance on physical documentation, thereby supporting the reduction of paper usage and contributing to the achievement of the Group's sustainability goals.

OUTLOOK AND PROSPECTS

Looking ahead, Retail Banking anticipates a landscape of moderate growth amid intensifying competition, heightened cybersecurity mandates and geopolitical headwinds. Strategically, the business remains positioned to achieve Net Funder status for the Group by driving sustained deposit growth through accelerated new acquisition, supported by a digital onboarding journey on AmOnline. Lending will also remain disciplined, with a continued focus on Affluent and Mass Affluent segments as credit quality and portfolio resilience will take priority over volume.

Simultaneously, Wealth Management remains cautiously optimistic, as market volatility reinforces demand for trusted advisory and deeper client engagement through enhanced Relationship Manager capabilities. In line with WT29, Retail Banking will continue scaling the AmOnline ecosystem to expand digital features, strengthen customer value propositions and build a more scalable, growth-oriented business.