

26 November 2025

AmBank Group delivered a record PATMI of RM1.05 billion for H1FY26, with annualised ROE of 10.1% and a 21% increase in interim dividend of 12.5 sen per share

AMMB Holdings Berhad (AMMB, AmBank Group or the Group) announced its results for the financial period ended 30 September 2025 (H1FY26).

Highlights of H1FY26 Results¹

- Net income grew 7.3% YoY to RM2,582.6 million, driven by higher Net Interest Income (NII) on the back of Net Interest Margin (NIM) expansion and higher Non-Interest Income (Noli)
- Expenses increased 7.7% YoY to RM1,131.8 million, with Cost-to-Income (CTI) ratio at 43.8%
- Profit Before Provisions (PBP) grew 7.0% YoY to RM1,450.8 million
- Net impairment charges were higher at RM96.2 million, mainly due to higher overlay provision taken in the SME portfolio, partially offset by higher reversals of provisions in Wholesale Banking and higher recoveries.
- Profit Before Taxation (PBT) increased 4.3% YoY to RM1,354.7 million while Profit After Taxation and Minority Interests (PATMI) grew 5.0% YoY to RM1,050.8 million
- Annualised Return on Equity (ROE) at 10.1% while Return on Assets (ROA) improved to 1.06%
- Gross loans, advances and financing grew 4.5% YoY to RM140.5 billion
- Gross impaired loans (GIL) ratio increased to 1.75%, with loan loss coverage (LLC) ratio (including Regulatory Reserves) of 100.4%
- Customer deposits grew 2.7% YoY to RM140.0 billion
- Liquidity remained ample with Liquidity coverage ratios (LCR) of above 135%² for all entities
- Group Common Equity Tier 1 (CET1) capital ratio improved further to 15.25%, with Total Capital Ratio (TCR) at 17.90%
- The Group announced an interim dividend of 12.5 sen per share, 21.4% higher YoY, representing a dividend payout ratio of 39% for H1FY26

¹ All growth percentages are computed on a year-on-year (YoY) H1FY26 vs H1FY25 basis unless otherwise stated. Quarter-on-quarter (QoQ) refers to Q2FY26 vs Q1FY26. Year-to-date (YTD) refers to Q2FY26 vs FY25.

² LCR is based on 12-month rolling average

AmBank Group Chief Executive Officer, Mr Jamie Ling commented, "We delivered another strong quarter and a record first half PATMI. The 21% increase in interim dividend per share reflects our confidence in our prospects despite a more challenging macro and geopolitical backdrop."

Financial Summary

The Group recorded a 7.3% YoY growth in net income of RM2,582.6 million (H1FY25: RM2,407.0 million), with improvements in both NII and Noll. NII grew 5.0% YoY to RM1,850.9 million (H1FY25: RM1,762.1 million), driven by a YoY NIM expansion to 1.99% (H1FY25: 1.93%).

Noll was 13.5% higher YoY at RM731.7 million (H1FY25: RM644.9 million) largely driven by higher trading gains in securities from Group Treasury and Markets (GTM), more than offsetting the decline in fee income from Investment Banking and Group Wealth Management.

Overall expenses increased 7.7% YoY to RM1,131.8 million driven by higher personnel costs. CTI remained largely unchanged at 43.8% (H1FY25: 43.6%). Consequently, PBP grew 7.0% YoY to RM1,450.8 million (H1FY25: RM1,356.4 million).

Net impairment charges increased RM39.0 million to RM96.2 million (H1FY25: RM57.2 million), due to higher provisions in Business Banking, with an overlay provision of RM99.3 million taken in the SME portfolio and a marginal increase in Retail Banking. This was partially offset by higher reversals of provisions in Wholesale Banking and higher recoveries.

The Group's PATMI grew 5.0% YoY to RM1,050.8 million (H1FY25: RM1,000.8 million), with annualised ROE maintained at 10.1% (H1FY25: 10.1%) while annualised ROA increased to 1.06% (H1FY25: 1.02%).

Total gross loans, advances and financing grew 1.2% YTD to RM140.5 billion (FY25: RM138.9 billion) with good loans growth from Business Banking (+RM2.1 billion or +4.3% YTD), partly offset by repayment of certain Wholesale Banking loans (-RM0.4 billion or -2.1% YTD). On a YoY basis, total gross loans, advances and financing grew 4.5%, underpinned by strong growth in Wholesale Banking (+11.6%) and Business Banking (+10.7%).

GIL ratio increased to 1.75% (FY25: 1.54%) mainly from Business Banking with LLC (including Regulatory Reserves) remaining adequate at 100.4% (FY25: 103.6%).

Total customer deposits fell 1.1% YTD to RM140.0 billion (FY25: RM141.5 billion). Time deposits grew 1.3% YTD to RM91.7 billion (FY25: RM90.5 billion) while CASA decreased 5.2% YTD to RM48.3 billion (FY25: RM51.0 billion). On a YoY basis, customer deposits grew 2.7% with increases seen in both time deposits and CASA. Customer deposits grew in Retail Banking (+8.0%) as well as in Corporate and Transaction Banking (+22.4%).

The Group's CET1 increased further to 15.25% (FY25: 14.82%), with TCR at 17.90% (FY25: 17.49%). Liquidity remained ample with Liquidity coverage ratios (LCR) of above 135% for all entities.

With the continued strengthening of the capital position, the Group declared a higher interim dividend of 12.5 sen per share (H1FY25: 10.3 sen per share), an increase of 21.4% YoY. This translates to a dividend payout ratio of 39% (H1FY25: 34%).

Divisional performance (H1FY26 vs H1FY25)

Retail Banking – PAT of RM44.0 million (H1FY25: PAT of RM102.7 million)

Profit After Taxation (PAT) declined to RM44.0 million mainly due to lower income coupled with higher operating expenses and higher net impairment charge. The repositioning of this segment continues with improved QoQ performance.

Income fell 4.8% YoY to RM690.5 million (H1FY25: RM725.2 million) due to a 3.3% YoY decline in NII from margin compression in deposits and mortgage, along with a 12.7% YoY decline in Noll mainly from Retail Wealth Management. Operating expenses increased by 6.1% YoY to RM518.6 million (H1FY25: RM488.6 million) while net impairment charge of RM114.4 million (H1FY25: RM101.8 million) increased 12.4% YoY due to higher FL provisions, partially offset by overlay reversal.

Gross loans, advances and financing fell 1.4% YoY to RM67.3 billion mainly due to decline in auto financing, partially offset by growth in mortgages. GIL ratio was slightly higher YoY at 1.80% (H1FY25: 1.75%). Total deposits increased 8.0% YoY to RM58.5 billion.

Business Banking – PAT of RM290.0 million (H1FY25: PAT of RM385.7 million)

PAT fell by 24.8% YoY to RM290.0 million mainly due to higher expenses and net impairment charge.

Income remained largely unchanged at RM867.4 million (H1FY25: RM869.2 million). Operating expenses increased 12.6% YoY to RM308.2 million (H1FY25: RM273.8 million). A net impairment charge of RM178.1 million was recorded (H1FY25: RM90.1 million) due to higher SME overlay provision of RM99.3 million to increase buffers from our de-risking actions and individual provisions.

Gross loans, advances and financing increased 10.7% YoY to RM50.8 billion. GIL ratio was higher YoY at 2.24% (H1FY25: 1.75%). Total deposits declined marginally to RM38.6 billion (-0.8% YoY).

Wholesale Banking – PAT of RM643.4 million (H1FY25: PAT of RM424.9 million)

PAT grew 51.4% YoY to RM643.4 million mainly driven by higher income and higher net impairment writeback.

Income grew 38.2% YoY to RM829.1 million (H1FY25: RM600.0 million) driven by higher NII growth of 24.7% YoY from liability management efforts and strong YoY loans growth, as well as higher Noll of RM224.1 million (H1FY25: RM114.8 million) from trading gains. Operating expenses increased 7.7% YoY to RM188.3 million (H1FY25: RM174.9 million). Net impairment writeback was higher at RM197.7 million (H1FY25: RM126.6 million) mainly due to higher writeback of provisions upon resolution of a large corporate debt restructuring.

Gross loans, advances and financing increased 11.6% YoY to RM20.5 billion. GIL ratio improved YoY to 0.42% (H1FY25: 1.11%). Total deposits was stable at RM50.4 billion (+0.1% YoY).

- ***Corporate and Transaction Banking – PAT of RM258.7 million (H1FY25: PAT of RM207.7 million)***

PAT increased by 24.6% YoY to RM258.7 million mainly attributable to higher income and higher net impairment writeback, partially offset by higher operating expenses.

Income increased 8.0% YoY to RM266.8 million (H1FY25: RM246.9 million), driven by a 10.0% YoY growth in NII from higher YoY loans growth, partly mitigated by a 2.8% decline in Noll from lower fee income in Transaction Banking. Operating expenses increased 12.8% YoY to RM116.3 million (H1FY25: RM103.1 million). Net impairment writeback was higher at RM187.5 million (H1FY25: RM129.6 million).

Gross loans, advances and financing increased 11.6% YoY to RM20.5 billion, while total deposits increased 18.3% YoY to RM13.9 billion.

- **Group Treasury and Markets – PAT of RM384.6 million (H1FY25: PAT of RM217.2 million)**

PAT increased RM167.4 million or 77.1% YoY to RM384.6 million mainly due to higher income and higher net impairment writeback on financial investments.

Income increased 59.3% YoY to RM562.3 million, due to effective liability management and higher Noll of RM186.6 million (H1FY25: RM76.2 million) from trading gains in securities.

Investment Banking, Funds Management and Private Banking – PAT of RM35.0 million (H1FY25: PAT of RM68.9 million)

PAT declined by 49.2% YoY to RM35.0 million due to lower income as customer activities were lower and a more cautious investor sentiment.

Income fell 14.0% YoY to RM169.3 million (H1FY25: RM196.8 million) mainly attributable to lower fee income from Stockbroking and Futures, lower deal flows in Investment Banking as well as Private Banking. Operating expenses rose 5.9% YoY to RM124.6 million (H1FY25: RM117.6 million). Funds Management delivered a resilient PAT of RM34.5 million (H1FY25: RM34.4 million). Average AUM (including Private Banking) grew 2.7% YoY to RM64.5 billion (H1FY25: RM62.8 billion).

Islamic Banking – PATZ of RM367.5 million (H1FY25: PATZ of RM269.4 million)

Profit After Taxation and Zakat (PATZ) rose 36.4% YoY to RM367.5 million. Total income expanded 8.5% YoY to RM684.8 million (H1FY25: RM630.9 million) driven by a YoY growth of 7.4% and 17.0% in Net Financing Income and Non-Financing Income respectively. Operating expenses increased 9.8% YoY to RM271.7 million (H1FY25: RM247.5 million) and a net impairment writeback of RM67.1 million (H1FY25: net impairment charge of RM32.0 million).

Insurance – PAT of RM61.4 million (H1FY25: PAT of RM44.2 million)

PAT increased 39.0% to RM61.4 million primarily driven by higher investment income, higher net earned insurance premiums and lower claims. The results of the Group's life insurance, family takaful and general insurance businesses were equity accounted to reflect the Group's effective equity interests in the respective joint ventures and associate.

Others – Loss After Taxation (LAT) of RM23.2 million (H1FY25: LAT of RM25.5 million)

This segment comprises support and corporate functions of the Group. LAT improved slightly, narrowing to RM23.2 million from RM25.5 million due to better expense management.

Outlook for FY26

Mr Jamie Ling concluded, *"We are satisfied with our results for the first half, and we remain vigilant in monitoring our asset quality. Looking ahead, I am confident that the AmBank Group will grow in tandem with Malaysia's economy."*

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