
**AFFIN BANK GROUP RECORDS
RM408.5 MILLION PBT IN 1H2022, INCREASE BY 44.7% YOY**

Highlights on Financial Performance

KUALA LUMPUR – Affin Bank Group (the “Group”) registered a profit before tax (PBT) after zakat of RM408.5 million for the for the six (6) months ended 30 June 2022 (1H2022), a 44.7% increase compared to the same period last year (2021).

According to Datuk Wan Razly Abdullah, President & Group Chief Executive Officer of Affin Bank Berhad, the improvement in PBT for 1H2022 was mainly driven by improved net interest income, and Islamic Banking income, all of which are in line with the Group’s AIM22 growth plans. Affin Bank and Affin Islamic Bank continue to anchor earnings of the Group, with Affin Islamic recording an increase of 70.5% to RM147.9 million in PBT due to financing growth and lower impairment allowances.

“Given the challenging macro and geopolitical environment, we remain cautious. We are continuously ensuring our liquidity, credit quality and Capital Reserve Levels remain sufficient to weather these uncertain times. With a vision to be creative in terms of innovation and technology, providing unrivalled customer service and value creation for our shareholders, customers and our employees, we will be introducing new and enhanced services including a new Mobile Banking App scheduled to be launched in October 2022,” added Datuk Wan Razly.

Net Interest Income

Net interest income (NII) recorded was RM488.1million, an increase of RM70.0million or 16.7% as compared to the previous financial period of RM418.1 million, mainly due to loan growth in 1H2022.

Islamic Banking

Affin Islamic Bank is a significant contributor to the Group as its PBT recorded an increase of 70.5% to RM147.9 million due to financing growth and lower impairment allowances. Affin Islamic Bank’s stronger PBT was due to more robust financing growth which grew 18.6% year-on-year (YoY) and lower impairment allowances. Affin Islamic Bank recorded a significant improvement of asset quality of 0.57% in Gross Impaired Financing to 0.98% in 1H2022 compared to 1.55% in 1H2021.

Non-Interest Income

Non-interest income for the period under review was RM306.6 million, a decrease of RM136.2 million or 30.8% from RM442.8 million registered in the previous corresponding period. The decrease in non-interest income was due to lower net gain on sales of financial instruments, other income and net fee and commission income.

Operating expenses

Operating expenses increased slightly to RM690.8 million for the period ended 30 June 2022 as compared to RM681.0 million in the same period of previous year. The cost to income ratio for the period under review was 62.3%, a slight increase from 61.0% in 1H2021.

Loans, Deposits Growth and Liquidity

As of 30 June 2022, the Group's total loans, advances and financing grew by 15.0% YoY to RM55.4 billion contributed mainly by the 21.6% growth in the Community Banking segment. Housing Loans grew by 22.5%, whilst Auto Finance loans rose by 11.4%.

On the deposits, CASA (Current Account Savings Account) recorded at RM13.9 billion for the period ended 30 June 2022 and CASA ratio stood at 21.50%. The Group's customer deposits increased by 19.8% YoY to RM64.5 billion as of 30 June 2022 as our CASA initiatives continued to deliver positive results.

Asset Quality

As of 30 June 2022, the Gross Impaired Loan (GIL) ratio for the Group recorded a significant improvement of 2.28% as compared to 3.27% as at 30 June 2021. The Group continues to offer repayment assistance to customer who have been impacted by the COVID pandemic.

Capital Adequacy Ratios

As at 30 June 2022, the Group's Total Capital ratio was at 18.20%, Tier 1 capital ratio at 14.93% and CET1 capital ratio at 13.44%, a testament to the Group's capital strength.

-END-



About Affin Bank Berhad

Affin Bank Berhad (AFFIN BANK) is the financial holding company of Affin Islamic Bank Berhad, Affin Hwang Investment Bank Berhad, Affin Moneybrokers Sdn Bhd and AXA AFFIN Life Insurance Berhad. AXA AFFIN General Insurance Berhad is an associate company of Affin Bank Berhad.

AFFIN BANK provides a suite of financial products and services that is catered to both retail and corporate customers. The target business segments are categorized under key business units such as Community Banking, Enterprise Banking, Corporate Banking and Treasury. As at 1 August 2022, AFFIN BANK has a network of 115 branches in Malaysia.

For more information, please contact:

Amirah Aliah Azlan
Assistant Manager, Strategic Communications
Contact Number: +60123688359
E-mail: amirahaliah@affinbank.com.my

Archanaa Vijayaraman
Assistant Manager, Strategic Communications
Contact Number: +60173850188
E-mail: archanaa@affinbank.com.my