

AFFIN GROUP ANNOUNCES PROFIT BEFORE TAX OF RM701.0 MILLION FOR FINANCIAL YEAR 2024

KUALA LUMPUR – AFFIN Group (“AFFIN” or “the Group”) recorded a Profit Before Tax (PBT) after zakat of RM701.0 million for the financial year ended 31 December 2024 (FY2024), representing a 35.3% increase from RM518.3 million in the previous year (FY2023). Total loan and financing growth grew by 8.1% YoY to RM72.0 billion, compared to RM66.7 billion in FY2023, with total assets recorded at RM111.8 billion as of 31 December 2024.

Datuk Wan Razly Abdullah, President & Group Chief Executive Officer of Affin Bank Berhad, said, “AFFIN Group continues to strengthen its foundation for long-term, sustainable growth. Our results reflect the disciplined execution of the AFFIN Axelerate 2028 (AX28) Plan, built on three pillars namely **Unrivalled Customer Service, Digital Leadership, and Responsible Banking with Impact.**”

“The Group implemented an Early Retirement Scheme in Q4 2024, amounting to a cost of RM48.5 million. Excluding this one-off cost, this would have enhanced the Business-as-Usual PBT to **RM749.5 million**, an increase of 44.6% YoY. The strong profit generated would be reinvested in the business to further grow the Balance Sheet and enhance the Group’s Digital Capabilities”.

“The Group’s efforts to improve Net Interest Margin (NIM) are showing early results, with CASA breaching our 30% target. This is a significant milestone in strengthening our funding base. At the same time, we are advancing our digital transformation journey with the introduction of our new Digital Core and Mobile App, launching in Q1 2025, which will catapult the Group’s growth in 2025.”

“We are strengthening AFFIN’s resilience and growth by expanding our loan portfolio, reinforcing our asset base, and driving sustainable profitability. To reward shareholders on our growth journey, we are proposing a Bonus Issue of one new share for every 18 existing shares held. We have received a strong demand for our shares, which remain tightly held. The Bonus Issue will enable more shareholders to participate in our value creation. This initiative reflects our confidence and commitment to unrivalled service and digital transformation whilst signaling strong future growth prospects.”

Net Interest Income

Net interest income (NII) recorded at RM826.4 million, an increase of RM43.5 million or 5.6% as compared to the previous financial period of RM782.9 million.

Islamic Banking

Affin Islamic Bank Berhad reported a PBT of RM323.3 million, reflecting a 1.8% increase, compared to the previous financial period of RM317.7 million.

Non-Interest Income

Non-interest income for the period under review was RM652.2 million, an increase of RM44.9 million or 7.4% from RM607.3 million registered in the previous corresponding period.

Asset Quality

For FY2024, the Gross Impaired Loan (GIL) ratio for the Group stood at 1.94% as compared to 1.90% in FY2023.

Loan Loss Coverage (LLC) and Loan Loss Reserve (LLR)

The Group's LLC stood at 83.65% and LLR at 117.49%. The decrease was primarily due to the impairment of a fully collateralised account.

Operating Expenses

Operating expenses increased to RM1,668.1 million in FY2024 as compared to RM1,421.2 million in the previous year. The Cost-to-Income ratio for the period under review was 76.88%, an increase from 71.57% in FY2023.

Loans and Deposits Growth

For FY2024, the Group's total loans, advances and financing grew by 8.1% YoY to RM72.0 billion, mainly contributed by the 10.8% growth in the Community Banking segment, with the Corporate Banking and Enterprise Banking segments growing by 3.4% and 3.1%, respectively. Housing Loans grew by 8.4%, whilst Auto Finance loans rose by 6.7%.

On the deposits, the Group's customer deposits increased by 4.1% YoY to RM73.7 billion. CASA (Current Account/Savings Account) recorded at RM22.4 billion and CASA ratio stood at 30.4% for the period ended 31 December 2024.

Capital Adequacy Ratios and Liquidity

For FY2024, the Group's Total Capital ratio was at 17.06%, Tier 1 capital ratio at 14.64% and Common Equity Tier 1 (CET1) capital ratio at 13.22%. The Liquidity Coverage Ratio remains healthy at 165.18%, well above the regulatory requirement of 100%.

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About AFFIN Group

Incorporated on 23 October 1975, AFFIN Group proudly commemorates its 50th anniversary in 2025, a milestone that reflects five decades of steadfast dedication to growth, innovation, and financial excellence, all in line with its vision to be the **Most Creative and Innovative Financial Company in Malaysia**. Affin Bank Berhad operates as the financial holding entity of Affin Islamic Bank Berhad, Affin Hwang Investment Bank Berhad, Affin Moneybrokers Sdn Bhd. Generali Insurance Malaysia Berhad and Generali Life Insurance Malaysia Berhad are affiliated companies of Affin Bank Berhad.

AFFIN Group provides an array of financial products and services catering to individual, enterprise, commercial and corporate clients. The focus market segments are categorised under essential business units such as Community Banking, Enterprise Banking, Corporate Banking, Treasury, and Investment Banking. For more information, please visit www.affingroup.com.

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