



**AFFIN BANK BERHAD**

(Company No. 197501003274 / 25046-T)  
(Incorporated in Malaysia)

**MINUTES OF THE FORTY-FOURTH ANNUAL GENERAL MEETING OF AFFIN BANK BERHAD HELD VIRTUALLY AT THE BROADCAST VENUE AT LEVEL 18, MENARA AFFIN, 80, JALAN RAJA CHULAN, 50200 KUALA LUMPUR ON MONDAY, 27 JULY 2020 AT 2:30 P.M.**

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**PHYSICALLY PRESENT AT THE BROADCAST VENUE:-**

**DIRECTORS**

YBHG. DATO' AGIL NATT – *CHAIRMAN*  
ENCIK MOHD SUFFIAN BIN HAJI HARON  
DATO' ABDUL AZIZ BIN ABU BAKAR  
DATO' MOHD HATA BIN ROBANI  
DATO' ROZALILA BINTI ABDUL RAHMAN  
PUAN MARZIDA BINTI MOHD NOOR  
MR. GREGORY JEROME GERALD FERNANDES

**DIRECTORS PARTICIPATED VIA VIDEO-CONFERENCING:-**

MR. IGNATIUS CHAN TZE CHING  
MR. YUEN PETER WAI HUNG

**IN ATTENDANCE**

ENCIK WAN RAZLY ABDULLAH BIN WAN ALI (GROUP CHIEF EXECUTIVE OFFICER)  
MS JOANNE RODRIGUES (CHIEF FINANCIAL OFFICER)  
MS LEE YOKE KIW (CHIEF CORPORATE SERVICES OFFICER)  
PUAN NIMMA SAFIRA BINTI KHALID (CHIEF LEGAL OFFICER AND COMPANY SECRETARY)

**EXTERNAL AUDITORS**

MS ELAINE NG (PARTNER, MESSRS PRICEWATERHOUSECOOPERS)

**SHARE REGISTRAR AND POLL ADMINISTRATOR**

PUAN SUZANA ABDUL RAHIM (TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD)

**INDEPENDENT SCRUTINEERS**

MS ONG WAI LENG (ASIA SECURITIES SDN BHD)

**SHAREHOLDERS & PROXIES :-**

AS PER ATTENDANCE LIST

## **1. COMMENCEMENT OF THE MEETING**

- 1.1 The Chairman, Dato' Agil Natt extended a warm welcome to shareholders and proxies for their participation at Affin Bank Berhad's (ABB or the Company) forty-fourth (44<sup>th</sup>) Annual General Meeting (AGM) (44<sup>th</sup> AGM) which was broadcasted live from Level 18, Menara Affin, 80, Jalan Raja Chulan, 50200, Kuala Lumpur.
- 1.2 As the 44<sup>th</sup> AGM was the first fully virtual AGM for ABB, the Chairman explained the following:-
  - 1.2.1 The AGM was convened in compliance with Section 327 of the Companies Act 2016 and in accordance to Article 67 of the Bank's Constitution. This AGM is also convened in accordance to Guidance on the Conduct of General Meetings for Listed Issuers by the Securities Commission of Malaysia under Recovery Movement Control Order.
  - 1.2.2 That it is the Bank's duty to care and safeguard the wellbeing of the shareholders and employees of the Bank due to the Covid-19 pandemic.
- 1.3 The Chairman introduced the Board Members, Group Chief Executive Officer (GCEO), Chief Financial Officer, Company Secretary, Chief Corporate Services Officer who were present at the meeting. He further introduced the two (2) Board Members who participated remotely via video conference from Hong Kong.
- 1.4 Chairman informed that there were four (4) Board members who have retired or resigned since the last AGM, namely Mr Joseph Yuk Wing Pang, YBhg General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi Bin Haji Zainuddin (Bersara) (former Chairman of ABB), Encik Abd Malik bin A Rahman and YBhg Tan Sri Mohd Ghazali bin Mohd Yusoff.  
  
Chairman, on behalf of the Board expressed his appreciation to the retired/resigned Board members for their invaluable contributions towards AFFIN Bank Berhad.
- 1.5 The Chairman further introduced the representatives from Messrs PricewaterhouseCoopers (Bank's external auditors), Tricor Investor & Issuing House Services Sdn Bhd (Tricor) (Share Registrar and Poll Administrator) and Asia Securities Sdn Bhd (Asia Securities) (Independent Scrutineer for the AGM's poll voting) who were also present at the Broadcast Venue.

## **2. QUORUM**

- 2.1 The Company Secretary confirmed that the requisite quorum for commencement of a general meeting, being two (2) members was met in accordance to Article 76 of the Bank's Constitution.
- 2.2 That a total of 354 shareholders (including proxies and corporate representatives) representing a total of 1,751,498,939 ordinary shares equivalent to 88.17% of the total issued share capital, had participated at the AGM via the Remote Participation and Voting ("RPV") facility.
- 2.3 In addition, a total of 69 shareholders had appointed the Chairman of the Meeting as proxy to vote on their behalves and the shares so represented amounted to 498,481,048 ordinary shares equivalent to 25.09% of the total issued shares of AFFIN Bank Berhad .
- 2.4 The Chairman then called the Meeting to order.

## **3. NOTICE OF MEETING**

- 3.1 The Notice convening the AGM dated 26 June 2020, having been served on shareholders, was taken as read.

## **4. VOTING ON RESOLUTIONS**

- 4.1 The Chairman informed that in line with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting on all resolutions for the 44<sup>th</sup> AGM would be conducted by way of poll, via electronic voting ("e-voting") and would be administered by Tricor, the Poll Administrator appointed for this AGM. The poll results will be validated and verified by the appointed Scrutineers, Asia Securities Sdn Bhd.
- 4.2 That the shareholders were further informed of the following:-
  - (i) The voting session had already commenced from the start of the meeting and that shareholders/proxies may start registering their votes electronically until the closure of the voting session which would be announced later;
  - (ii) The results of the poll voting and declaration of resolutions will be shown on the screen after the Scrutineers have verified the poll results upon the closure of the e-voting session. Shareholders may view and take note of the results from the screen. The Chairman will then declare whether the resolutions are duly passed; and
  - (iii) Shareholders and proxies are welcomed to raise questions at any time during the AGM by submitting written questions using the Query Box as provided via the RPV facility. The Board will then answer the questions during the question and answer session.

## 5. PRESENTATION BY GCEO

5.1 The Chairman invited GCEO to update the shareholders on the Group's key financial highlights for financial year ended 31 December 2019 (FY2019) and Affinity in Motion (AIM22) Key Focus Areas.

5.2 The key highlights of the GCEO's presentation were as follows:-

### (i) **Affin Bank Berhad**

#### Key Financial Highlights for FY2019

- The Net Interest Income reduced by RM102.3 million or 12.1% in line with the reduction in loans, advances and financing portfolio and financial investments at FVOCI of RM3.0 billion and RM2.9 billion respectively.
- For FY2019, the higher net gain on financial instruments of RM141.1 million was offset by the reduction in net interest income and other income totalling RM142.4 million. The reduction in net interest income is in line with the reduction in loans, advances and financing portfolio of RM3.0 billion and financial investments at FVOCI of RM2.9 billion.
- Operating expenses increased slightly by RM6.4 million or 0.5% mainly due to higher personnel cost.
- PBT increased by RM 2.0 million or 0.3% mainly driven by higher net realised gain on financial instruments and Islamic Banking Income.
- Earnings per share (EPS) was 24.59 cent for FY2019 as compared to 25.89 cent for FY2018.
- The Community Banking achieved robust fixed deposits growth of 44.4% or RM7.4 billion.
- Strong growth in mortgages with 11% growth to reach RM11.7 billion in FY2019.
- ASNB business met its allotted target of RM200 million in the first 8 months of 2019.

#### Key Achievements Affin Bank in FY2019

- Community Banking achieved deposit growth of 44.6% whilst SME Banking acquired 9,000 new to bank customers (All CASA accounts).
- The Bank has also launched a new Retail Internet Banking, Corporate Internet Banking (Pilot), Affin Pay (E-Wallet) and SME Colony (Award winning app designed for SME Community).

### (ii) **Affin Islamic Bank Berhad**

Affin Islamic Bank contributed 41% of the Group's portfolio and exceeded 40% portfolio contribution target set by BNM in its 10-year Financial Sector Strategic Blueprint.

**(iii) Affin Hwang Capital**

- Affin Hwang Capital has improved its market share from 12.58% in 2018 to 12.92% in 2019, consequently holding the top spot of Bursa Malaysia's Broking Ranking for 2019.
- Affin Hwang Asset Management (AHAM) has recorded Assets under Administration (AuA) of RM57.7 billion as at end 2019.
- AHAM is ranked No. 2 Unit Trust Ranking at RM40 billion with Assets Under Management of RM57.5 billion.
- Affin Hwang Capital's Stockbroking is the leading brokerage house in Malaysia for the 5th consecutive year since 2014 and ranked first in market share in Malaysia.

**(iv) Industry Recognition for the Group in FY2019**

GCEO updated shareholders on the accolades that the Bank have received up to 2019.

**(v) Affinity in Motion (AIM22)**

The Bank had formulated its Advance 30 (A30) new initiatives under its Metamorphosis Plan called Affinity in Motion (AIM22). The key focus areas are:-

- ROE Focus;
- Lowering the overall Cost of Funds by reengineering the Balance Sheet;
- Digital Transformation to close the gap with its peers;
- Focus on People and Productivity;
- Improved Risk Management- enhance Asset Quality Management, Liquidity Risk and Capital Management.

**(vi) Covid-19 Immediate Focus**

The Bank has taken immediate focus on the following due to the Covid-19 Pandemic:-

- Employee and Community – 63% of its Community & SME portfolio is currently under Moratorium
- Liquidity Management – The Bank's LCR is at healthy level above the 100% thresholds. The Bank currently has in excess of RM15 billion in High Liquid Assets.
- Capital Preservation – Total Capital (24%), one of the highest in the industry
- Managing Asset Quality – Close monitoring of all accounts, especially in the Covid-19 impact area however the Bank's exposure in this sector is small less than 3%. Oil & Gas sector also is less than 2% of the portfolio.

5.3 The GCEO thanked the stakeholders for their continuing support.

*Details of the GCEO's presentation can be viewed from ABB's website at [www.affinbank.com.my](http://www.affinbank.com.my).*

**6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 AND REPORTS OF THE DIRECTORS AND AUDITORS**

6.1 The Chairman informed that the Company's Audited Financial Statements (AFS) for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors were laid before the Company at this meeting pursuant to Section 340(1)(a) of the Companies Act, 2016.

6.2 The Chairman explained that the AFS are laid for discussion only and will not be put forward for voting.

**7. MINORITY SHAREHOLDERS WATCH GROUP QUESTIONS AND ANSWERS**

7.1 The GCEO informed that the Minority Shareholders Watch Group (MSWG) had per their letter dated 20 July 2020 raised some points on the Company's strategy/financial and governance matters. The Bank had vide letter dated 28 July 2020 provided the responses to MSWG.

7.2 The questions from MSWG and responses from the Company were as follows:-

(i) Questions by MSWG (Question 1)

Affin Bank recorded a return on equity (ROE) of 5.42% in FY19 (FY18: 5.94%) which is the lowest in the industry. Meanwhile, its cost-to-income ratio (CIR) of 63.36% (FY18: 63.39%) is one of the highest in industry. How does Affin Bank plan to improve ROE while bringing down CIR to a level comparable to the industry average?

Response by Affin Bank Berhad (Question 1)

The Bank has implemented new efficiency measures with the establishment of an Efficiency Council in April 2020. The objective of the Efficiency Council is to drive cost saving and efficient practices throughout the Bank. The early initiatives of the Council range from reducing paper wastage, energy saving initiatives, right sizing of the workforce, automation and digitalization of processes to unlock productivity. All these initiatives go towards inculcating a Cost Conscious and High-Performance culture within the Group. At the same time, in light of the COVID-19 pandemic, the Board of Directors and Senior Management have also volunteered for a salary reduction of up to 10%.

Simultaneously, the Bank is re-engineering its Balance Sheet to improve its Cost of Funds and consequently improving its Net Interest Margin (NIM).

On ROE, there is increasing focus on building the Bank's revenue base by focusing on segmentation of customer base, product bundling and intensifying marketing efforts.

The initiative on the Cost to Income Ratio, Cost of Funds and the ROE will take approximately 18 to 24 months before it starts to yield results.

(ii) Questions by MSWG (Question 2)

Bank Negara Malaysia (BNM) has cut Overnight Policy Rate (OPR) by 125 basis points since the beginning of the year to 1.75% currently. Further rate cut is also expected, which would trickle into a contraction in net interest margins (NIM) of banks. Based on assessment done by the Group, how would the above affect the performance of Affin Bank in FY2020 especially in terms of loan growth?

Given that variable loans make up 71.5% (RM32.86 billion) of Affin Bank's total loans, advances and financing (LAF), how would the NIM of Affin Bank be affected due to the substantial cut in OPR?

Response by Affin Bank Berhad (Question 2)

On loan growth, the Bank will adopt a conservative growth stance of flat or a slight increase given the weakening economic environment in Malaysia. The main priority will be to preserve Asset Quality in this uncertain condition.

At the same time, the Bank's NIM is negatively impacted by each rate cut as loans reprice faster than deposits. Management is focusing on acquiring CASA (Current Account/Savings Account) to better manage the cost of funds and this will be done through Corporate Internet and Retail Internet Banking Solutions. This will contribute to a lower Cost of Funds going forward.

(iii) Questions by MSWG (Question 3)

Local banks have granted an automatic six-month moratorium for all their individual and SMEs customers starting from 1 April 2020 to help relieve clients' financial burden.

- (a) What is the size of the loan involved under the six-month moratorium compared to the Group's total Loans, Advances & Financing?
- (b) What is the percentage of Affin Bank's total Loans, Advances & Financing that have been restructured and rescheduled (R&R)? Under the R&R loan segment, which are the most affected sectors within Affin Bank's Loans, Advances & Financing sector?
- (c) Loan exposure to individuals and SMEs accounted for 65.8% (RM30.24 billion) of Affin Bank's total RM45.96 billion Loans,

Advances & Financing in FY19, what is the likelihood of increases in provision of 12-month and lifetime Expected Credit Losses (ECL) due to the loan-moratorium and the challenging economic outlook?

Response by Affin Bank Berhad (Question 3)

- (a) As at 30 June 2020, an estimated 63% of total Loans, Advances & Financing are under moratorium. This is due to Community Banking contributing 53% of the total loans.
- (b) Of the Bank's total portfolio of Loans & Financing, less than 3% have been restructured and rescheduled due to COVID-19. The most affected sectors being Real Estate, Education and Tourism. The number of R&R accounts will correlate with the recovery of the Malaysian economy.
- (c) It is still too early to predict the risk of an increase in provision, and it will be dependent on how fast Malaysia and the Global economy recovers from this COVID-19 pandemic. The payment behavior of the individuals and SME borrowers post moratorium will only be observed in Quarter 4 2020. In anticipation of this possibility, the Bank is ready to assist all customers who are affected by the COVID-19 pandemic and the Bank has already taking steps to contact such customers directly through call centers and email hotlines (yourvoice@affinbank.com.my).

(iv) Questions by MSWG (Question 4)

As of FYE 31 December 2019, Affin Bank's Group gross impaired loans (GIL) and net impaired loan (NIL) ratios were 3.00% (FY18: 3.25%) and 2.28% (FY18: 2.59%) respectively against an industry average of 1.5% and 1% in December 2019 (page 39, Bank Negara Malaysia's Financial Stability Review - Second Half 2019). Affin Bank's GIL and NIL ratio further increased to 3.11% and 2.37% as at end of March 2020.

- (a) How has Affin Bank's asset quality change before and after the COVID-19 outbreak?
- (b) To what extent are Affin Bank's GIL and NIL ratios expected to rise due to the economic impact arising from the COVID-19 pandemic? Are the currently higher than industry average GIL and NIL ratios a concern to Affin Bank?

Response by Affin Bank Berhad (Question 4)



It is still too early to assess the impact on Asset Quality (Gross Impaired Loans & Net Impaired Loans) and Expected Credit Losses (ECL) as it will be dependent on how fast Malaysia and the Global economy recover from this pandemic. The payment behavior of the individual and SME borrowers post moratorium will only be seen in Quarter 4 2020. Management is taking precautionary measures by contacting customers and providing financial assistance where necessary.

Management takes the overall Asset Quality of the book seriously and is monitoring the overall portfolio closely to ensure a healthy portfolio that is in line with industry levels. The Bank has strengthened collection, recovery and restructuring teams to focus on improving Gross Impaired Loan & Net Impaired Loan ratios.

(v) Questions by MSWG (Question 5)

How does the current low interest rate environment hinder Affin Bank's effort to pursue the current and savings account (CASA) funding as depositors may prefer to put or invest their money in alternative investments to generate higher returns? Coupled with the six-month loan moratorium measure to borrowers, will a potential decline in CASA ratio result in liquidity pressure to Affin Bank?

Response by Affin Bank Berhad (Question 5)

As part of the AIM 22 metamorphosis plan, CASA is a key focus area for the Bank to lower its Cost of Funds. CASA initiatives range from enhancing its Internet Banking solutions and marketing CASA product offerings. The short-term target will be to break the 20% CASA ratio. The low interest rate environment provides an opportunity for the Bank to lower its Cost of Funds as it reprices its high rate Fixed Deposits. The Bank also works closely with Affin Hwang Asset Management which is one of the leading Asset Managers in the Country with CASA product bundling.

The Bank's LCR is at healthy levels above the 100% thresholds and the Bank does not expect any liquidity pressure. The Bank currently has close to RM15 billion in High Quality Liquid Assets as at June 2020.

(vi) Questions by MSWG (Question 6)

Affin Bank's SME Banking division registered a strong growth in FY19 with the acquisition of 9,000 new-to-bank customers or 25% growth year-on-year. Of the new customers, 7,000 are start-ups.

Given that there is a risk of prolonged impact of the COVID-19 pandemic, how will the SME Banking business be affected? Does the SME Banking division face a heightened risk of loan default by SME customers especially the start-up segment?

Response by Affin Bank Berhad (Question 6)

The 9,000 new-to-bank customers are predominantly CASA accounts. This is part of the Bank's strategic initiative to build CASA franchise where the Bank is introducing product bundling and cross selling and these 9000 accounts have contributed to CASA growth. At the moment, the loan portfolio for start-ups is small. Financing extended to these companies are guaranteed by SJPP and there is no default registered to date.

The SME business spectrum is the bedrock of economy and they provide the jobs and economic activity that drives the Malaysian economy. This is why the government is supporting them with soft loans through all the PRIHATIN (RM7 billion) and PENJANA (RM10.95 billion) initiatives.

During this period of the COVID-19 pandemic and the rest of 2020, SME Banking is expecting to see a modest growth in its loans and deposits as the business continues on its targeted customer approach across selected industries and sectors. At the moment, SME Banking is in a proactive engagement mode with their customers for any assistance and relief arrangements that they may require due to the COVID situation.

(vii) Questions by MSWG (Question 7)

It is reported that some parties have expressed their keen interests on Affin Bank's insurance and asset management businesses. Is Affin Bank keen to divest its stake in the insurance and asset management businesses especially the loss-making AXA Affin Life Insurance Berhad?

Response by Affin Bank Berhad (Question 7)

There are no plans for the Bank to divest its stake in the insurance and asset management businesses.

(viii) Questions by MSWG (Question 8)

Remuneration paid to directors of subsidiaries increased by 60.38% y-o-y to RM2.57 million in FY19 from RM1.6 million the year before. What is the rationale for the sharp increase in remuneration paid to Directors of subsidiaries?

Response by Affin Bank Berhad (Question 8)

The Y-o-Y difference in the Disclosure line 'Remuneration paid to Directors of Subsidiaries' is RM970k. This is due to the following:-

- In 2019, the Bank has enhanced the accounting disclosures and included other benefits that are attributable to the directors of subsidiaries which would have amounted to RM770k of 'Other Emoluments' for directors of subsidiaries in Financial Year 2018.
- RM192k is the remuneration paid for the additional 2 Directors appointed on the subsidiaries' Boards in Financial Year 2019.

7.3 The Chairman thanked the GCEO for the presentation of the MSWG Questions and Answer. He then went on to answer the question on governance related matter.

(i) Corporate Governance Matters (Question 1)

As a Large Company, Affin Bank has not adopted Practice 8.4 – Step Up which states the audit committee should comprise solely of independent directors (IDs). Given the number of IDs appointed on Board, Affin Bank has sufficient IDs to sit on the Group Board Audit Committee. When does Affin Bank expect to apply Practice 8.4?

Response by Affin Bank Berhad (Question 1)

As at the date of the Corporate Governance Report (22 May 2020), Group Board Audit Committee comprised four Independent Non-Executive Directors and one Non-Independent Non-Executive Director.

Mr. Ignatius Chan Tze Ching (Mr. Chan), a Non-Independent Non-Executive Director, was appointed as member of the Group Board Audit Committee in November 2019. Mr. Chan, who is a Certified Public Accountant, possesses extensive knowledge in internationally acceptable practices on audit monitoring processes. His appointment was to ensure the Bank continues to comply with the requirement under the Bursa Malaysia Main Market Listing Requirements for Group Board Audit Committee to have at least one member with accountancy background at all times.

Following the appointment of Mr. Gregory Fernandes as Chairman of Group Board Audit Committee on 1 May 2020, Mr. Chan has recently stepped down as a member of Group Board Audit Committee. Hence, the Bank has applied the Step-Up recommendation under Practice 8.4 of the Malaysian Code of Corporate Governance issued by the Securities Commission Malaysia for the Group Board Audit Committee to comprise only Independent Directors.

## **8. PRE-AGM MEETING QUESTIONS AND ANSWERS**

8.1 The Chairman informed that the Bank had received questions from the shareholders and proxies prior to the commencement of the AGM.

8.2 The Chairman proceeded to read the questions and the responses were then provided by the GCEO. The questions raised amongst others were on door gift/e-vouchers, impact of Covid-19 pandemic/loan moratorium, dividend, share price, impaired loans, cost of virtual AGM, strategy moving forward and Directors' Sitting Fees. The GCEO provided answers relating to the financials/strategy whilst the Chairman provided answer on the Directors' Sitting Fees.

*Details of the AGM Q&A can be viewed from ABB's website at [www.affinbank.com.my](http://www.affinbank.com.my).*

The Chairman assured shareholders that for questions which were unable to be addressed during this Meeting, the Bank will revert to shareholders directly via e-mail.

The Chairman then proceeded with the remaining Agenda items of the Meeting.

### **ORDINARY BUSINESS**

9. **ORDINARY RESOLUTION 1 - RE-ELECTION OF DATO' MOHD HATA BIN ROBANI WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that Dato' Mohd Hata bin Robani was subject to retirement under Article 118 of the Company's Constitution and being eligible, had offered himself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***"THAT Dato' Mohd Hata bin Robani retiring pursuant to Article 118 of the Company's Constitution, be and was thereby re-elected as Director of the Company."***

10. **ORDINARY RESOLUTION 2 - RE-ELECTION OF DATO' ABDUL AZIZ BIN ABU BAKAR, WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that Dato' Abdul Aziz Bin Abu Bakar was subject to retirement under Article 118 of the Company's Constitution and being eligible, had offered himself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***"THAT Dato' Abdul Aziz Bin Abu Bakar retiring pursuant to Article 118 of the Company's Constitution, be and was thereby re-elected as Director of the Company."***

11. **ORDINARY RESOLUTION 3 - RE-ELECTION OF DATO' MD AGIL BIN MOHD NATT WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

*The Chairman handed over the Chair to Dato' Abdul Aziz Bin Abu Bakar (Dato' Aziz), Chairman of Board Nomination and Remuneration Committee, as the resolution pertains to his re-appointment.*

Dato' Aziz informed the Meeting that Dato' Md Agil Bin Mohd Natt was subject to retirement under Article 124 of the Company's Constitution and being eligible, had offered himself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT Dato’ Md Agil Bin Mohd Natt retiring pursuant to Article 124 of the Company’s Constitution, be and was thereby re-elected as Director of the Company.”***

*At this juncture, Dato’ Aziz handed over the Chair back to the Chairman.*

**12. ORDINARY RESOLUTION 4 - RE-ELECTION OF MR. YUEN PETER WAI HUNG WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY’S CONSTITUTION**

The Chairman informed the Meeting that Mr. Yuen Peter Wai Hung was subject to retirement under Article 124 of the Company’s Constitution and being eligible, had offered himself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT Mr. Yuen Peter Wai Hung retiring pursuant to Article 124 of the Company’s Constitution, be and was thereby re-elected as Director of the Company.”***

**13. ORDINARY RESOLUTION 5 - RE-ELECTION OF PUAN MARZIDA BINTI MOHD NOOR WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY’S CONSTITUTION**

The Chairman informed the Meeting that Puan Marzida Binti Mohd Noor was subject to retirement under Article 124 of the Company’s Constitution and being eligible, had offered herself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT Puan Marzida Binti Mohd Noor retiring pursuant to Article 124 of the Company’s Constitution, be and was thereby re-elected as Director of the Company.”***

**14. ORDINARY RESOLUTION 6 - RE-ELECTION OF MR. GREGORY JEROME GERALD FERNANDES WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY’S CONSTITUTION**

The Chairman informed the Meeting that Mr. Gregory Jerome Gerald Fernandes was subject to retirement under Article 124 of the Company’s Constitution and being eligible, had offered himself for re-election.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT Mr. Gregory Jerome Gerald Fernandes retiring pursuant to Article 124 of the Company’s Constitution, be and was thereby re-elected as Director of the Company.”***

**15. ORDINARY RESOLUTION 7 - PAYMENT OF DIRECTORS' FEES, OTHER EMOLUMENTS AND BENEFITS AMOUNTING TO RM2,664,000 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

The Company sought approval of the shareholders on the proposed payment of Directors' Fees, other emoluments and benefits amounting to RM2,664,000 for the financial year ended 31 December 2019.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***"THAT Directors' Fees, other emoluments and benefits amounting to RM2,664,000 for the financial year ended 31 December 2019, be approved for payment to the Directors"***

**16. ORDINARY RESOLUTION 8 - PAYMENT OF NON-EXECUTIVE DIRECTORS' FEES FOR THE PERIOD FROM THE 44<sup>TH</sup> AGM TO THE 45<sup>TH</sup> AGM OF THE COMPANY**

The Company sought approval of the shareholders on the proposed payment of the following fees to Non-Executive Directors for the period from the 44th AGM to the 45th AGM of the Company:-

- a) Chairman's fee – RM160,000 per annum;
- b) Director's fee – RM130,000 per annum for each Non-Executive Director;
- c) Board Committee Chairman's fee – RM40,000 per annum; and
- d) Board Committee Member's fee – RM35,000 per annum for each member of Board Committee.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***"THAT the payment of the following fees to Non-Executive Directors for the period from the 44th AGM to the 45th AGM of the Company, be approved:***

- a) Chairman's fee – RM160,000 per annum;***
- b) Director's fee – RM130,000 per annum for each Non-Executive Director;***
- c) Board Committee Chairman's fee – RM40,000 per annum; and***
- d) Board Committee Member's fee – RM35,000 per annum for each member of Board Committee."***

**17. ORDINARY RESOLUTION 9 - PAYMENT OF UP TO RM1.4 MILLION AS BENEFITS TO ELIGIBLE NON-EXECUTIVE DIRECTORS FROM 44<sup>TH</sup> AGM TO THE 45<sup>TH</sup> AGM OF THE COMPANY**

The Company sought approval of the shareholders on the proposed payment of up to RM1.4 million as benefits to eligible Non-Executive Directors from the 44th AGM to the 45th AGM of the Company.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT the payment of up to RM1.4 million as benefits to eligible Non-Executive Directors from the 44th AGM to the 45th AGM of the Company, be approved”***

**18. ORDINARY RESOLUTION 10 - RE-APPOINTMENT OF AUDITORS**

The Chairman informed the Meeting that Messrs. PricewaterhouseCoopers PLT had indicated their willingness to continue in office.

The Meeting was requested to consider the re-appointment of Messrs. PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2020 and to authorize the Directors to fix the Auditors’ remuneration.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT Messrs. PricewaterhouseCoopers PLT be re-appointed as Auditors of the Company for the financial year ending 31 December 2020 at a remuneration to be fixed by the Directors.”***

**19. ORDINARY RESOLUTION 11 - AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARE IN AFFIN BANK BERHAD (“ABB SHARES”)**

The Chairman informed the meeting that this Special Business was to obtain general mandate from shareholders to empower Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT subject always to the Companies Act, 2016 (“Act”), the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and approval of the relevant government/ regulatory authorities, the Directors be and are hereby authorised pursuant to Section 75 and Section 76 of the Act, to allot ABB Shares at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of ABB Shares to be allotted pursuant to the said allotment does not exceed ten percent (10%) of the total number of issued shares of the Company as at the date of such allotment and that the Directors be and are hereby authorised to obtain all necessary approvals from the relevant authorities for the allotment and listing and quotation of the additional shares so allotted on Bursa Malaysia and that such authority to allot ABB Shares shall continue to be in force until the conclusion of the next annual general meeting of the Company.”***

20. **ORDINARY RESOLUTION 12 - ALLOTMENT AND ISSUANCE OF NEW SHARES OF AFFIN BANK BERHAD (“ABB SHARES”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN BY THE COMPANY THAT GIVES THE SHAREHOLDERS OF THE COMPANY THE OPTION TO REINVEST THEIR WHOLE OR A PORTION OF THE DIVIDEND FOR WHICH THE REINVESTMENT OPTION APPLIES IN THE NEW ABB SHARES (“DIVIDEND REINVESTMENT PLAN”)**

The Chairman informed that the meeting was requested to consider and, if thought fit, to pass the ordinary resolution on the allotment and issuance of New Shares of AFFIN Bank Berhad in relation to the Dividend Reinvestment Plan by the Company that gives the Shareholders of the Company the Option to Reinvest their whole or a portion of the Dividend for which the Reinvestment Option applies in New AFFIN Bank Berhad Shares.

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT pursuant to the Dividend Reinvestment Plan as approved by the shareholders at the Extraordinary General Meeting held on 15 May 2018 and subject to the approval of the relevant regulatory authority (if any), approval be and is hereby given to the Company to allot and issue such number of new ABB Shares upon the election of the shareholders of the Company to reinvest the dividend pursuant to the Dividend Reinvestment Plan until conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Board may, in their sole and absolute discretion, deem fit and in the interest of the Company;***

***AND THAT, the issue price of the said new ABB Shares which will be determined by the Board on a price fixing date to be determined (“Price Fixing Date”), shall not be more than 10% discount to the adjusted 5-day volume-weighted average market price (“WAMP”) of ABB Shares immediately prior to the Pricing Fixing Date, of which the WAMP shall be adjusted ex-dividend before applying the abovementioned discount in fixing the issue price;***

***AND THAT the Board be and is hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements, deeds or undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to give full effect to the Dividend Reinvestment Plan with full power to assent to any conditions, variations, modifications and/ or amendments, as the Board may, in its absolute discretion deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.”***



**21. ORDINARY RESOLUTION 13 - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED SHAREHOLDERS' MANDATE)**

*The Chairman informed that Encik Mohd Suffian bin Haji Haron, a Nominee Director of Lembaga Tabung Angkatan Tentera in the Board of Affin Bank Berhad, a major shareholder of the Bank, had abstained and will continue to abstain from all deliberations and voting in relation to the Proposed Shareholders' Mandate at the Company's Board meetings.*

The following ordinary resolution was put for a vote at the end of the meeting and was duly passed:-

***“THAT authority be and is hereby given in line with Chapter 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company, its subsidiaries or any of them to enter into any of the transactions falling within the types of the Recurrent Related Party Transactions, particulars of which are set out in the Circular to Shareholders dated 26 June 2020 with the Related Parties as described in the said Circular, provided that such transactions are of revenue or trading nature, which are necessary for the day-to-day operations of the Company and/ or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;***

***AND THAT such authority shall commence immediately upon the passing of this Ordinary Resolution until:***

- i. the conclusion of the next AGM of the Company at which time the authority shall lapse unless by a resolution passed at a general meeting, the authority is renewed; or***
- ii. the expiration of the period within which the next AGM of the Company which is to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or***
- iii. revoked or varied by a resolution passed by the shareholders of the Company at a general meeting, whichever is earlier.***

***AND FURTHER THAT the Board of Directors be and is hereby authorised to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/ or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Shareholders' Mandate in the best interest of the Company.”***

## **22. OTHER BUSINESS**

The Chairman briefed the shareholders that the Company Secretary has confirmed that no notice had been received from shareholders to transact any other business at the AGM.

## **23. LIVE QUESTIONS AND ANSWERS**

23.1 The Chairman informed that the Bank had received live questions from the shareholders and proxies during the AGM.

23.2 The Chairman proceeded to read the questions and the responses were then provided by the GCEO. The questions raised amongst others were on door gift/e-vouchers, impact of Covid-19 pandemic/loan moratorium, dividend, impaired loans, cost of virtual AGM, profit of the Bank, Bank's exposure to oil & gas, tourism, and Affin New Headquarter at TRX.

*Details of the AGM Q&A can be viewed from ABB's website at [www.affinbank.com.my](http://www.affinbank.com.my).*

## **24. POLL VOTING**

24.1 As all resolutions have been tabled, the Chairman reminded shareholders who have yet to cast their votes to do so before the voting session is closed. The Meeting was adjourned at 3.40 p.m. for the shareholders and proxies to cast their votes.

24.2 That after five (5) minutes, the Chairman announced the closure of the voting. The poll results were handed over to Asia Securities Sdn Bhd, the Scrutineers for validation. The Meeting was adjourned for twenty (20) minutes for poll counting and validation.

## **25. POLL RESULT**

25.1 The Chairman called the Meeting to order at 4.05 pm for the announcement of poll results.

25.2 Ms Ong Wai Leng, the representative from Asia Securities Sdn Bhd, the Independent Scrutineer confirmed that the polling results as counted by the Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd have been verified by Asia Securities Sdn Bhd.

25.3 Based on the poll results, the Chairman declared that all the 13 resolutions as set out in the Notice of the 44<sup>th</sup> Annual General Meeting dated 26 June 2020 were carried.

25.4 The table below shows the poll results for each Ordinary Resolution:-

Resolutions	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	1,751,259,689	99.9923	135,166	0.0077
Ordinary Resolution 2	1,743,333,664	99.5398	8,060,191	0.4602
Ordinary Resolution 3	1,751,258,689	99.9923	135,166	0.0077
Ordinary Resolution 4	1,750,528,692	99.9505	866,163	0.0495
Ordinary Resolution 5	1,751,259,690	99.9923	135,165	0.0077
Ordinary Resolution 6	1,751,260,792	99.9924	132,763	0.0076
Ordinary Resolution 7	1,751,213,884	99.9898	178,321	0.0102
Ordinary Resolution 8	1,751,217,234	99.9898	178,121	0.0102
Ordinary Resolution 9	1,750,998,533	99.9906	164,579	0.0094
Ordinary Resolution 10	1,751,315,032	99.9952	84,223	0.0048
Ordinary Resolution 11	1,751,258,189	99.9920	140,066	0.0080
Ordinary Resolution 12	1,751,303,779	99.9945	95,476	0.0055
Ordinary Resolution 13	637,917,873	99.9862	88,224	0.0138

25.5 The Chairman informed the shareholders that the Bank will revert directly to the questions which were not addressed during this Meeting.

## 26. **TERMINATION OF MEETING**

There being no other business, the meeting ended at 4.10 p.m. with a vote of thanks to the Chair.

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**DATO' AGIL NATT**  
**CHAIRMAN OF MEETING**