

AFFIN HOLDINGS BERHAD (“AHB” OR THE “COMPANY”)

▪ PROPOSED REORGANISATION OF THE AHB GROUP OF COMPANIES

Reference is made to the announcements dated 16 February 2017, 20 February 2017, 14 July 2017, 21 July 2017, 28 August 2017, 21 September 2017 and 2 October 2017 in relation to the above (“Announcements”). Unless otherwise defined, all the abbreviations and definitions used in this announcement shall have the same meaning as the words and expressions used in the Announcements.

On behalf of the Board of Directors of AHB (“**Board**”), AFFIN Hwang Investment Bank Berhad (“**AHIB**”) had on 16 February 2017 announced that the Company and AFFIN Bank Berhad (“**ABB**”) intend to undertake the following proposals:

(i) Transfer by AHB of the following identified companies to ABB:

- AHIB, a wholly-owned subsidiary of AHB;
- AFFIN Moneybrokers Sdn Bhd, a wholly-owned subsidiary of AHB (“**AMB**”);
- AXA AFFIN Life Insurance Berhad, a 51.00%-owned joint venture company of AHB (“**AALI**”); and
- AXA AFFIN General Insurance Berhad, a 37.07%-owned associate company of AHB (“**AAGI**”),

(AHIB, AMB, AALI and AAGI shall collectively be referred to as the “**Identified Companies**” and item (i) above shall now be referred to as the “**Reorganisation**”);

(ii) Proposed distribution of the entire shareholdings in ABB held by AHB to the entitled shareholders of AHB whose names appear in AHB’s Record of Depositors on an entitlement date to be determined and announced by the Board at a later date (“**Entitlement Date**”) (“**Entitled Shareholders**”), on the Entitlement Date by way of a distribution-in-specie *via* a reduction of the following:

- the entire consolidated capital of AHB (which includes the entire issued and paid-up share capital of AHB and the entire share premium account of AHB); and
- the retained profits of AHB,

(item (ii) above shall be referred to as the “**Proposed Distribution**”);

(iii) Proposed subscription by ABB of 2 new ordinary shares in AHB (“**AHB Shares**”) which will be undertaken simultaneously with the Proposed Distribution (“**Proposed Subscription**”);

(iv) Proposed amendments to the Constitutions of AHB and ABB to facilitate the Proposed Transfer of Listing Status (as defined below) (“**Proposed Amendments**”);

(v) Proposed transfer of AHB’s listing status on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) to ABB upon completion of the Proposed Distribution, Proposed Subscription and Proposed Amendments (“**Proposed Transfer of Listing Status**”); and

(vi) Proposed members’ voluntary winding-up of AHB in accordance with the Companies Act, 2016 (“**Act**”) (“**Proposed Winding-Up**”),

(the above shall collectively be referred to as the “**Proposals**”).

Further to the above, on behalf of the Board, AHIB wishes to announce that AHB had on 2 October 2017 entered into a share sale agreement (“**SSA**”) with ABB in relation to the Reorganisation. The Transfer Consideration for the Identified Companies has been finalised to be RM2.505 billion.

ABB has satisfied the Transfer Consideration partly in cash and partly in shares as follows:

Identified Companies	Consideration amount (RM'000)	Mode of consideration	Number of ABB Shares/ RM
AHIB	1,966,460	New ordinary shares in ABB ("ABB Shares")	233,886,035
AMB	22,278	New ABB Shares	2,649,692
AALI	148,340	New ABB Shares	17,643,204
AAGI	367,945	Cash	RM367.95 million
Total:	2,505,023		

Following the above, the Reorganisation is deemed completed as at the date of this announcement.

This announcement is dated 16 October 2017.