



**AFFIN BANK BERHAD**  
(Company No. 25046-T)  
(Incorporated in Malaysia)

**MINUTES OF THE FORTY-SECOND ANNUAL GENERAL MEETING OF AFFIN BANK BERHAD  
HELD AT THE TAMING SARI GRAND BALLROOM, ROYALE CHULAN HOTEL, 5 JALAN  
CONLAY, 50450 KUALA LUMPUR ON TUESDAY, 15 MAY 2018 AT 10.00 A.M.**

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**PRESENT:-**

**DIRECTORS**

YABHG GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (RETIRED)  
– *CHAIRMAN* (ALSO SHAREHOLDER)  
ENCIK MOHD SUFFIAN BIN HAJI HARON (ENCIK SUFFIAN)  
YBHG. TAN SRI MOHD GHAZALI BIN MOHD YUSOFF (TAN SRI GHAZALI)  
ENCIK ABD MALIK A RAHMAN (ENCIK MALIK) (ALSO SHAREHOLDER)  
DATO' ABDUL AZIZ BIN ABU BAKAR (DATO' AZIZ)  
DATO' MOHD HATA BIN ROBANI (DATO' HATA)  
MR. IGNATIUS CHAN TZE CHING (MR. TC CHAN)  
MR. JOSEPH YUK WING PANG (MR. JOSEPH PANG)

**SHAREHOLDERS & PROXIES :-**

AS PER ATTENDANCE LIST

**IN ATTENDANCE**

ENCIK KAMARUL ARIFFIN BIN MOHD JAMIL  
(GROUP CHIEF EXECUTIVE OFFICER)  
MS LEE YOKE KIOW  
(CHIEF CORPORATE SERVICES OFFICER)  
PUAN NIMMA SAFIRA BINTI KHALID  
(COMPANY SECRETARY)

**BY INVITATION**

ENCIK NAZLEE BIN KHALIFAH  
(CHIEF EXECUTIVE OFFICER, AFFIN ISLAMIC BANK BERHAD)  
DATUK MAIMOONAH BINTI HUSSAIN  
(GROUP MANAGING DIRECTOR, AFFIN HWANG INVESTMENT BANK BERHAD)  
MR RAMANATHAN RAJOO  
(CHIEF FINANCIAL OFFICER, AFFIN BANK BERHAD)  
MS PEGGY LIEW LI CHOO  
(CHIEF OPERATING OFFICER, AFFIN HWANG ASSET MANAGEMENT BERHAD)

**BY INVITATION**

MR ROHIT CHANDRASEKHARAN NAMBIAR  
(CEO, AXA AFFIN LIFE INSURANCE BERHAD)  
MS MICHELLE DAN  
(CHIEF FINANCIAL OFFICER, AXA AFFIN GENERAL INSURANCE BERHAD)

**COMMENCEMENT OF THE MEETING**

There being a quorum, the Chairman, Tan Sri Zahidi called the meeting to order and extended a warm welcome to Board members, guests and shareholders to the forty-second (42<sup>nd</sup>) Annual General Meeting (AGM) (42<sup>nd</sup> AGM) which is the first AGM to be held after the listing of Affin Bank Berhad (ABB or the Company) on the Main Market of Bursa Malaysia Securities Berhad on 2 February 2018.

The Chairman introduced the members of Board of Directors and Senior Management of Affin Bank Berhad and its subsidiaries present at the meeting.

The Chairman expressed his appreciation to those who have taken their time to attend the AGM.

The Chairman further acknowledged the attendance of corporate representatives of Lembaga Tabung Angkatan Tentera attending this meeting who are YBhg Datuk Zakaria Bin Sharif and Puan Saira Banu Chara Din; Corporate representative of Minority Shareholders Watchdog Group or MSWG, who is Mr Devanesan Evanson and Corporate representative of Employees Provident Fund Board (EPF) who is Encik Muhammad Izham bin Rusli.

The Chairman recorded his sincere appreciation to YM Raja Tan Sri Aman bin Raja Haji Ahmad who retired on 12 March 2018 after serving as a director of AFFIN Holdings Berhad for 28 years.

The Chairman further expressed appreciation for the invaluable contributions by three directors of AFFIN Bank Berhad who have completed their services in year 2017, namely YBhg Gen Tan Sri Dato' Seri Ismail bin Haji Omar (Retired), YBhg Tan Sri Dato' Seri Mohamed Jawhar Hassan and Mr Aubrey Li Kwok-Sing, including Mr Tang Peng Wah who has resigned as a director of the Bank with effect from 17 April 2018 following the change of Nominee Director of the Bank of East Asia, Limited.

**NOTICE OF MEETING**

The Notice convening the meeting having been served on shareholders, was taken as read.

**POLL**

The Chairman, pursuant to Article 82(1)(a) of the Company's Constitution, exercised his right as Chairman of the meeting, demand a poll be conducted through electronic voting on all resolutions set out in the Notice of the Company's 42nd AGM at the end of the meeting.

The poll was conducted by Tricor Investor & Issuing House Services Sdn Bhd, the Poll Administrator appointed by the Company.

The votes cast were validated by Asia Securities Sdn Bhd, the Independent Scrutineers appointed by the Company.

## **FINANCIAL PERFORMANCE**

The Chairman invited En. Kamarul Ariffin bin Mohd Jamil, the Group Chief Executive Officer (Group CEO) to make a presentation to Shareholders on the financial performance of the Group for financial year ended 31 December 2017. The key highlights of the presentation were as follows:-

### **Key Outlook and Group Prospects**

#### **(a) Commercial Banking**

Affin Bank Berhad is focusing on the second phase of its three-year Affinity programme initiatives to improve earnings and operational efficiencies. The focus is building digital banking capabilities with enhanced analytics for better customer engagement, expanding targeted growth segments, enhancing productivity through automation and emphasizing customer experience.

#### **(b) Investment Banking**

The Investment Banking Group is looking forward to further transforming, especially its investment banking business where it would be better placed and expected to harness the full synergies from the Group's reorganisation.

#### **(c) Insurance**

The life insurance industry grew at 2% for 2017 (by weighted annualised new business premise) and expected to continue to grow at a moderate rate. The life insurance business will aim to reposition its business more towards health and protection with a focus of building a multi channel proposition targeting different customer segments, including customer segments with low penetration rates. The general insurance market is expected to be challenging in 2018 due to the impact of the motor and fire de-tariffication. The general insurance business will focus on selective growth and harness benefits from transformation projects, while continuing its journey to be a customer centric insurer.

### **Recognition and Awards**

#### **(a) Affin Bank Berhad**

- Asian Banker's Liquidity Risk Technology Implementation of the Year
- JomPAY National Biller Acquisition (Mid-sized Acquirers) Award
- Runner-up for Best Cash Management Poll (Small) 2017

(b) Affin Hwang Capital - Market Ranking & Accolades

- No. 1 Bursa Malaysia's ranking for Value Traded (11.9%; 2016: 11.4%) & Volume Traded (18.0%; 2016: 14.9%)
- No. 2 Unit Trust industry ranking with RM32.7bn (2016: ranked 3rd with RM23.7bn) in AUM . Total AUM grew to RM47.3bn (2016: RM36.3bn)
- No. 3 ranked for Investment Banking capabilities in Euromoney's Private Banking and Wealth Management Survey 2018
- Asiamoney's Best Securities House in Malaysia, and Most Improved Brokerage in Malaysia
- Bursa Malaysia's Best Overall Equities
- Alpha Southeast Asia's Best Mid-Cap Equity Deal in Southeast Asia, and Most Innovative Wakalah Deal in Southeast Asia
- IFR Asia's Islamic Issue of the Year, and Malaysia Capital Markets Deal of the Year
- The EDGE's Best IPO, and 4 (four) Best Call Awards
- Euromoney's Best Asset Management in Malaysia
- The Asset Triple A's Asset Management House of the Year in Malaysia (multi-Asset), and Asset Management Company of the Year in Malaysia

(c) AXA Affin General Insurance Berhad

- Asia Recruitment Awards 2017: Gold – Best Recruitment Evaluation Technique, Silver – Best Diversity and Inclusion Strategy, Bronze – Best Use of Digital Media
- Asia's Best Employer Brands Awards (8th Edition) - Asia's Best Employer Brand for 2017
- HR Asia – HR Asia's Best Companies to Work for in Asia 2017
- Insurance Asia awards 2017 – International General Insurer of the Year & New Insurance Product of the Year
- Claims Award Asia-Pacific – Claims Fraud Management Team of the Year 2017

Key Performance Highlights

(a) Profitability

- Achieved a PBT after zakat of RM550.7 million for the year ended 31 December 2017.
- Net interest income increased by 7.7% to RM1.2 billion mainly due to higher Islamic banking income.
- Overhead expenses increased by RM240.2 million on VSS cost, staff recruitment and marketing expenses. Allowance for loan impairment increased by RM47.9 million.

*Note: The results of ABB Group for 2017 is inclusive of 3 months results AHIB, AMB, AAGI, AALI post the Group's re-organization which took effect on 16 October 2017*

(b) Asset Quality

- Gross Impaired Loans ratio was at 2.53%. Excluding R&R accounts, the Gross Impaired Loan ratio stood at 1.46% (Dec 2017) vs. 1.60% (Dec 2016)
- Loan Loss Reserve was at 98.5% (Dec 2017) vs. 96.6% (Dec 2016)

(c) Capital Adequacy

- Total Capital ratio, Common Equity Tier-1 Capital ratio and Tier 1 Capital ratio of all banking entities within AFFIN remained at healthy level, well above the minimum regulatory requirements.
- Total Capital ratio for AFFIN Bank Berhad Group stood at 17.03%. (CET1:12.01%, Tier1: 12.03%)
- Total Capital ratio for AFFIN Hwang Investment Bank Berhad Group stood at 32.98% (CET1: 32.34%, Tier1: 32.60%)
- Total Capital Ratio for AFFIN Holdings Group stood at 17.47% (CET1: 12.47%, Tier1: 12.49%)

Key highlights

(a) Loans and Deposits Growth

Net loans, advances and financing grew by 7.0% yoy to RM45.7 billion driven largely by Consumer Banking and customer deposits was at RM50.9 billion.

(b) Business Performance

- AFFIN Bank Group reported PBT of RM550.7 million in FY 2017 as compared to RM599.9 million achieved in FY 2016 due to higher overhead expenses and higher allowance for loan impairment.
- AFFIN Islamic Bank registered a lower PBT of RM118.0 million in FY 2017 as compared to RM143.4 million in FY 2016 due to higher allowance for financing impairment.
- Affin Hwang Capital recorded a strong PBT of RM182.3 million, a 40% jump from previous year, riding on improved market sentiments that saw significant Asset Under Management (AUM) growth, higher investment and trading as well as capital markets advisory activities. AUM now stands at RM47.3 billion.
- AXA AFFIN Life Insurance reported a pre-tax loss of RM26.1 million mainly attributable to higher reserves for future policyholders' liabilities as a result of movement in MGS rate, higher expenses offset by higher investment income.
- AXA AFFIN General Insurance registered a lower PBT of RM143.6 million due to impact of premium market liberalisation.

(c) Liquidity & MFRS9

- LCR well above BNM requirements.
- Preparing for NSFR via strategic funding plans.
- MFRS9 ready, impact to capital is expected to be 10-20bps.

## **ORDINARY BUSINESS**

### **➤ AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 AND REPORTS OF THE DIRECTORS AND AUDITORS**

The Company's Audited Financial Statements for the financial year ended 31 December 2017 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.

The Minority Shareholder Watchdog Group (MSWG) had per their letter dated 2 May 2018 raised some points on the Company's strategy/financial matters. The Company had vide letter dated 14 May 2018 provided the responses to MSWG.

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

#### **Questions by MSWG (Question 1)**

As stated in the Management Discussion & Analysis ("MD & A") on Page 31 of the Annual Report, the Group has completed 16 out of the 32 projects of the Group Strategic Transformation Program known as "AFFINITY" as at FYE2017.

Please elaborate on the progress and status of the remaining projects/initiatives taking into consideration the latest challenges in the banking landscape?

#### **Response by Affin Bank Berhad (Question 1)**

The Affinity Program is a comprehensive Transformation Program that covers the Bank's eight pillars namely Target customer Segment, Delivery Channels, Products & Solutions, Operations, Performance Management, People, Technology and Risk & Compliance.

As at December 2017, 29 projects have been initiated of which 16 projects had been completed, and 13 projects are still on-going. The 13 projects are currently on track and are expected to be completed in 2019. Upon completion of the Affinity Program, the Group will possess the following:-

- A unique customer experience that drives customer loyalty and deepens commercial relationships.
- Ability to identify and understand unique customer insights that shape relevant financial services solutions
- Increasing digitalization of the business to create greater straight – through processing
- Tight coupling of the front and back office for seamless customer experience
- A leadership driven organization with clear accountability enabled by a robust performance management framework.

Questions by MSWG (Question 2)

We note that AFFIN Islamic under the Bank's Priority Islamic Policy ("PIP) has achieved a growth rate of 35.2% surpassing its deposit portfolio target of 34.0% despite the intense competition during the year. (Page 40, Annual Report)

- (a) Can the Bank maintain this performance for the current year?
- (b) What are the new products and initiatives that are planned for this year?
- (c) Is the Group on track to achieve and align to Bank Negara Malaysia ("BNM") 10-year Financial Sector Strategic Blueprint on Islamic financing? (Page 31, Annual Report)

Response by Affin Bank Berhad (Question 2)

- (a) Yes, AFFIN Islamic Bank would be able to sustain the performance for the current year by introducing more deposit campaigns such as "OMG" Term Deposit-i Smart Value to attract retail deposits and SME business.

This will further strengthen the Bank's liquidity and funding profile. The Bank's Net Stable Funding Ratio ("NSFR") plans for year 2018 and 2019 have been designed to ensure an effective and efficient funding structure to meet our funding requirements

- (b) The main thrust of AFFIN Islamic is to enhance our products and services offerings to our customers. As such, the following Deposit and Financing products have been designed to meet the need of our customers:-

**Deposit**

New products based on Tawarruq concept with fixed return for CASA-i

**Financing**

Launching of SME Business products i.e. Flexi Trade Financing-i and Financial Supply Chain-i which are expected to be in the 2<sup>nd</sup> quarter of 2018.

In addition, AFFIN Islamic Bank continues to increase its brand awareness visibility via events, social media platform and print media to continue promoting the following products:-

- 1) Affin Tawarruq Term Financing-i Secured by Securities
- 2) Education Financing-i
- 3) Credit Card-i

- (c) Yes, the Bank's Strategic Thrust is aligned with BNM's 10-year Blueprint. Through these strategies, the Bank will continue to drive operating efficiency and productivity with the emphasis on retail and business banking particularly on SMEs.

The focus will be on expanding our retail deposits franchise to ensure stability of funding. The Bank will also be focusing on increasing its fee income component through new wealth management product offerings, Bancatakaful business as well as increased utilisation of trade facilities.

The Bank continuously builds digital capabilities and initiatives to explore more robust opportunities in the digital space and creating a better overall banking experience for our customers. By doing so, the Bank strongly believe that it would be able to achieve the 40% financing portfolio target by 2019, ahead of the target set by BNM in year 2020.

### Questions by MSWG (Question 3)

On Page 43 of the Annual Report it was stated that the penetration rate as indicated by BNM for the life insurance coverage was still low at 55.0% including takaful and only at 35% excluding double counting as compared to the country target of 75% BY 2020. A study by Universiti Kebangsaan Malaysia also highlighted a sizeable protection gap where 56.0% are covered for life insurance but only 22.0% included Medical and Critical Illness cover.

What measures are being taken to tap on this potential life insurance segment and to bridge the gap in the Medical and Critical Illness product offering?

### Response by Affin Bank Berhad (Question 3)

AXA AFFIN Life Insurance Berhad ("AALI") aims to reposition its business towards health and protection with a focus on building multi-channel proposition targeting different customer segments, including partnership proposition for emerging customers as a leading digital insurer. In line with this strategy, to tap into this potential life insurance segments, AALI had:-

- (a) launched an affordable online term life insurance called eLife Protector with premiums as low as RM9.58 per month for RM100,000 sum insured.
- (b) launched AXA AFFIN eMedic, an online fast, easy and affordable first-in-the-market proposition targeted at millennials as follows:-
  - (i) Millennials aged between 16 and 39 can purchase the product online within 5 minutes.
  - (ii) Customers are asked simple questions of gender, age, nature of work, history of previous illness(es), hospitalisation and insurance.
  - (iii) Premiums are as low as RM37 per month for RM100,000 sum insured



AALI, in its efforts to expand reach and provide customers with a health ecosystem, partners leaders in their fields as follows:-

- (i) Digi : 11 million Digi customers can purchase AXA AFFIN eMedic through MyDigi app (besides directly on axa.com.my portal)
- (ii) BookDoc : customers are offered access to the health rewards platform to incentivise healthy living, search and make appointments with healthcare providers
- (iii) Naluri : a platform for professional coaching and rehabilitative psychological support

These are the first steps by AALI in fulfilling ambition to be a leading digital insurer and contribute to the nation's aim to narrow the protection gap. Besides the two (2) online products mentioned above, AALI has a full range of propositions for consumers, where higher coverage or more specialised products that require advice are served through agents, Financial Executives and staff at AFFIN Bank.

#### Questions by MSWG (Question 4)

On the de-tariffication of the motor and fire insurance businesses in the industry, please elaborate on the approach taken to price these product offerings to gain traction and market share in the motor and fire sector.

#### Response by Affin Bank Berhad (Question 4)

AXA AFFIN General Insurance ("AAGI")'s overarching strategy remains to be selective and sustainable growth via enhancing customer centricity, technical, data excellence and operational efficiency in a de-tariffed environment. AAGI's pricing approach takes into consideration regulations, segments which it believes can deliver sustainable growth whilst remaining competitive.

A good example specific to the motor class of business is AXA FlexiDrive, Malaysia's 1<sup>st</sup> telematics-based motor insurance which through a device installed in a vehicle, tracks and scores a driver's driving behaviour based on criteria such as speed, mileage and harsh acceleration or braking. Scores are translated to premium discounts up to 20% upon renewal. Personalised driving tips are provided to help those to improve driving skills instead, with no additional premiums. Besides premium discounts, other benefits include automatic alerts with location to be forwarded for assistance in the event of accident and for vehicle security and theft recovery.

In line with focus on customer centricity, there are various value-added services that accompanies AXA SmartDrive Enhanced Private Car product which include enrolment for AXA FlexiDrive with no additional premiums, fast claims approval at AAGI's preferred and panel workshops, 24/7 emergency road assistance, repair warranties. AAGI also has a motor insurance product catering for concerns more specific to woman drivers, AXA Motor for Her.

As for the fire class of business, AAGI has been taking a more holistic approach, providing business and home protection. An example of this is having SME solutions which consider risks and needs common to specific industries, including fire and consequential loss. AAGI has also enhanced its home insurance plan, AXA SmartHome Optimum, to allow tailored protection approach such as worldwide cover of personal belongings such as jewellery and watches.

**Questions by MSWG (Question 5)**

We refer to Note 38 to the financial statement on the allowances for “impairment losses on loans, advances and financing and trade receivables”, amounting to RM71.6 million in 2017 as compared to RM44.2 million in 2016 (Page 176, Annual Report). Please explain the reasons for the increase.

**Response by Affin Bank Berhad (Question 5)**

Higher impairment losses in 2017 was mainly due to lower recovery and impaired allowance written back of RM90.0 million in 2017 as compared to RM110.3 million in 2016. At the same time, there was a higher allowance for impairment on existing impaired loans due to decline in the collateral value of RM111.0 million in 2017 as compared to RM81.3 million in 2016.

The Chairman then opened the questions to the floor in relation to the operations and financial performance of the Group. The summary of the questions raised and the responses provided were as follows:-

**Question by Mr Michael Cheng (Question1)**

Mr Michael Cheng (shareholder) enquired whether the Bank would increase the number of branches so as to allow customer to have easy access to the Bank’s services.

**Response by Affin Bank Berhad (Question 1)**

The Group CEO explained that currently the Bank has 108 branches and in 2018 the Bank planned to increase its branches at selected location. The Group CEO stated that based on current trend of consumer behaviors, the Bank’s objective is to provide alternate channel to the customers where they can have access to banking online without restrictions to banking hours at the branches.

**Question by En Rahim (Question 2)**

En Rahim (shareholder) sought the Bank's clarification on the purpose of the Bank having carried out Voluntary Separation Scheme (VSS) and at the same time continue with new recruitment. He was of the view that the VSS defeat the purpose to reduce staff and eventually cost saving to the Bank.

**Response by Affin Bank Berhad (Question 2)**

The Group CEO explained that the Bank's main objective for offering VSS was to "right-size" its manpower and rejuvenate the Bank with staff who possess the requisite skills such as business and sales staff to generate more income to the Bank. Prior to the VSS, the Bank had more staff at back end office or operations instead of the business/sales staff. The VSS is carried out to reshape the staff force of the Bank.

**Question by PY Lim (Question 3)**

Mr PY Lim (shareholder) sought clarification on the reason for a huge decrease in Negotiable Instrument of Deposit (NID).

**Response by Affin Bank Berhad (Question 3)**

The Group CEO clarified that the Bank is minimizing the NID and targeting for increase in other form of deposits with longer tenure for its liquidity requirements.

**Question by PY Lim (Question 4)**

Mr. PY Lim (shareholder) stated that the Bank should launch initiatives to reduce its cost-to-income ratio which is currently high compared to industry.

**Response by Affin Bank Berhad (Question 4)**

Group CEO explained that the target is to have its cost-to income ratio below 50% in the next 3 years. There are currently initiatives undertaken by the Bank to generate more income and adopt measures for cost efficiency.

**Question by Mr Devanesan Evanson (Question 5)**

Mr Devanesan Evanson from MSWG enquired on the Bank's plan to gender diversity. In the Corporate Governance (CG) report, the Bank stated that the Bank's target is to achieve the gender diversity by year 2020. Mr Devanesan suggested that the Bank to put in place more robust plan to achieve the target.

**Response by Affin Bank Berhad (Question 5)**

Chairman clarified that the Bank fully supports the gender diversity agenda. He informed that the Bank had put in concerted efforts to nominate few potential women candidates for consideration and approval by the regulator. The Bank will continue to focus efforts to secure women director on the Board by 2020.

### **ORDINARY RESOLUTION 1**

➤ **RE-ELECTION OF ENCIK ABD MALIK BIN A RAHMAN WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

The Chairman of the meeting informed that Encik Abd Malik bin A Rahman 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 Encik Abd Malik bin A Rahman, retiring pursuant to Article 118 of the Company's Constitution, be and was thereby re-elected as Director of the Company."***

### **ORDINARY RESOLUTION 2**

➤ **RE-ELECTION OF GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (RETIRED) WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman handed over the Chair to Encik Mohd Suffian bin Haji Haron as he is the interested party in the matter to be discussed.

Encik Mohd Suffian bin Haji Haron took over the Chair and informed the Meeting that Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (Retired) 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 Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (Retired), retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company."***

At this juncture, the Chairman continued to chair the Meeting.

### **ORDINARY RESOLUTION 3**

➤ **RE-ELECTION OF DATO' MOHD HATA BIN ROBANI WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman of the meeting informed that Dato' Mohd Hata bin Robani 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' Mohd Hata bin Robani, retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company"***

#### **ORDINARY RESOLUTION 4**

➤ **RE-ELECTION OF DATO' ABDUL AZIZ BIN ABU BAKAR WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman of the meeting informed that Dato' Abdul Aziz bin Abu Bakar 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' Abdul Aziz bin Abu Bakar, retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company"***

#### **ORDINARY RESOLUTION 5**

➤ **RE-ELECTION OF MR. IGNATIUS CHAN TZE CHING WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman of the meeting informed that Mr. Ignatius Chan Tze Ching 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. Ignatius Chan Tze Ching, retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company"***

#### **ORDINARY RESOLUTION 6**

➤ **RE-ELECTION OF MR. JOSEPH YUK WING PANG WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman of the meeting informed that Mr. Joseph Yuk Wing Pang 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. Joseph Yuk Wing Pang, retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company"***

### **ORDINARY RESOLUTION 7**

#### **➤ PAYMENT OF DIRECTORS' FEES**

The Chairman of the Meeting sought approval of the shareholders on the proposed payment of Directors' Fees, other emoluments and benefits amounting to RM2,144,000 for the financial year ended 31 December 2017.

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 RM2,144,000 for the financial year ended 31 December 2017, be approved for payment to the Directors”***

### **ORDINARY RESOLUTION 8**

#### **➤ PAYMENT OF DIRECTORS' FEES ON A MONTHLY BASIS FOR THE PERIOD FROM THE DATE OF THIS ANNUAL GENERAL MEETING TO THE DATE OF NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

The Chairman of the Meeting sought approval of the shareholders on the proposed payment of Directors' Fees, other emoluments and benefits on a monthly basis based on the present Directors' remuneration structure from 1 January 2018 to the date of the next Annual General Meeting 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 Directors' Fees, other emoluments and benefits payable to the Directors on a monthly basis based on the present Directors' remuneration structure from 1 January 2018 to the date of the next Annual General Meeting of the Company, be approved.”***

### **ORDINARY RESOLUTION 9**

#### **➤ RE-APPOINTMENT OF AUDITORS**

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

The meeting was requested to consider the re-appointment of Messrs. PricewaterhouseCoopers as auditors of the Company for the next financial year.

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

***“THAT Messrs. PricewaterhouseCoopers be re-appointed as Auditors of the Company for the financial year ending 31 December 2018 at a remuneration to be fixed by the Directors.”***

## **ORDINARY RESOLUTION 10**

### **➤ AUTHORITY FOR DIRECTORS TO ISSUE 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 pursuant to Sections 75 and 76 of the Companies Act, 2016, and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to 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 shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”***

## **ORDINARY RESOLUTION 11**

### **➤ PROPOSED SHAREHOLDERS’ MANDATE AND ADDITIONAL MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED SHAREHOLDERS’ MANDATE)**

The Chairman handed over the Chair to Encik Abd Malik bin A Rahman as he is the interested party by virtue of being a Nominee Director of Lembaga Tabung Angkatan Tentera in the Board of Affin Bank Berhad.

Encik Abd Malik bin A Rahman took over the Chair and informed the Meeting of the proposed shareholders’ mandate and additional mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

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 16 April 2018 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 Annual General Meeting 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 Annual General Meeting 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."**

At this juncture, the Chairman continued to chair the Meeting.

#### **ELECTRONIC POLL VOTING**

There being no other business, the Chairman declared the closure for registration of attendance for this meeting and to proceed with electronic poll voting for all the resolutions tabled in the meeting. The Chairman invited the representative from the Poll Administrator, Tricor Investor and Issuing House Services Sdn Bhd to brief the meeting on the procedures for electronic poll voting process.

Ms Wong Yoke Fun, the representative from Tricor Investor and Issuing House Services Sdn Bhd briefed the meeting on the procedures and processes of the electronic poll voting.

The Chairman thanked Ms Wong for the briefing and processes and adjourned the meeting for the electronic poll voting session.



**ANNOUNCEMENT OF POLL VOTING RESULT**

The Chairman announced the polling results as counted by the Poll Administrator, Tricor Investor and Issuing House Services Sdn Bhd which have been verified by the Scrutineers, Asia Securities Sdn Bhd.

***“THAT ALL the 11 resolutions as set out in the Notice of the 42<sup>nd</sup> Annual General Meeting dated 16 April 2018 be carried.”***

**TERMINATION OF MEETING**

There being no other business, the meeting ended at 12.20 p.m. with a vote of thanks to the Chair.

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**YABHG GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (RETIRED)**  
**CHAIRMAN OF MEETING**