



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

**MINUTES OF THE FORTY-THIRD ANNUAL GENERAL MEETING OF AFFIN BANK BERHAD
HELD AT THE TAMING SARI GRAND BALLROOM, ROYALE CHULAN HOTEL, 5 JALAN
CONLAY, 50450 KUALA LUMPUR ON MONDAY, 29 APRIL 2019 AT 10.00 A.M.**

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)
DATO' ROZALILA BINTI ABDUL RAHMAN (DATO' ROZA)

SHAREHOLDERS & PROXIES :-

AS PER ATTENDANCE LIST

IN ATTENDANCE

ENCIK KAMARUL ARIFFIN BIN MOHD JAMIL
(GROUP CHIEF EXECUTIVE OFFICER)
MR RAMANATHAN RAJOO
(CHIEF FINANCIAL OFFICER, AFFIN BANK BERHAD)
MS LEE YOKE KIOW
(CHIEF CORPORATE SERVICES OFFICER)
PUAN NIMMA SAFIRA BINTI KHALID
(COMPANY SECRETARY)
ENCIK NAZLEE BIN KHALIFAH
(CHIEF EXECUTIVE OFFICER, AFFIN ISLAMIC BANK BERHAD)
DATUK MAIMOONAH BINTI HUSSAIN
(GROUP MANAGING DIRECTOR, AFFIN HWANG INVESTMENT BANK BERHAD)
ENCIK JOHAN ROZALI-WATHOOTH
(AFFIN HWANG ASSET MANAGEMENT BERHAD)
MR KELVIN WONG WEI WIN
(CEO, AXA AFFIN LIFE INSURANCE BERHAD)
MS EMMANUEL NIVET
(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-third (43rd) Annual General Meeting (AGM) (43rd AGM) which is the second 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, Mr. Devanesan Evanson and Corporate representative of Employees Provident Fund Board (EPF), Encik Muhammad Izham bin Rusli.

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 43rd 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 2018.

The key highlights of the presentation were as follows:-

Affin Bank Berhad

Affin Bank Group reported a higher PBT of RM675.0 million in 2018 as compared to RM550.7 million achieved in 2017 driven by the increase in net fee and commission income, Islamic banking income, net gain on financial instruments and other operating income. Comparing the results of Affin Bank Group in financial year 2018 and Affin Holdings Group in financial year 2017, the PBT was lower by RM18.2 million from RM693.2 million to RM675.0 million, mainly due to lower net gains on financial instruments during the financial year. At the Bank level, Affin Bank also recorded a PBT of RM675.0 million in 2018 as compared to RM374.4 million mainly due to higher dividend income, higher other income and lower allowance for credit impairment losses, offset by lower net interest income.

Affin Islamic Bank Berhad

Affin Islamic Bank reported higher PBT of RM155.4 million in 2018 as compared to RM118.0 million in 2017 mainly due to increase in operating income in line with the increase in financing growth of 21.3%, net of higher overhead expenses.

Affin Hwang Capital

Affin Hwang Capital recorded a consolidated PBT of RM160.5 million, compared to a higher result of RM182.3 million in 2017. For the year under review, the Bank increased its Bursa trading market share to 12.6% from 11.9% in the previous year, maintaining its pole position in the local domestic market for the 5th year running, and launched two new innovative products to further diversify its offering to clients and expanded its presence in the market. Affin Hwang Asset Management achieved a PBT of RM107.3 million in 2018 and grew its Asset Under Administration, albeit marginally by 0.8% to RM47.8 billion from RM47.4 billion in 2017.

AXA Affin Life Insurance Berhad (51% Joint Venture)

AXA Affin Life reported a lower pre-tax loss of RM7.3 million in 2018 as compared to a pre-tax loss of RM26.1 million in 2017 mainly due to lower reserve for future policyholders' liabilities and better operating earnings. AffinBank's share of loss in 2018 was RM3.1 million. During the financial year, there was an improvement in new business margin from 42% to 47%, driven by focus on higher margin protection, health protection, health products and effective cost management, despite lower annualised new business premium.

AXA Affin General Insurance Berhad (49.95% Associate)

AXA Affin General reported a PBT of RM140.0 million mainly attributable to higher investment income, stable underwriting results and capital gains on disposal of investments, net of higher claims incurred. Affin Bank's share of profit in 2018 was RM50.0 million. The gross written premium grew by 4.8% backed by momentum in Motor, Health and Retail businesses.

AFFINITY Transformation Program - Strategic Risk Program

The Bank has commenced a Strategic Risk Program early 2018, of which a total of 24 initiatives and 36 projects will be undertaken over a three-year period. The risk transformation journey is an evolvement from current “traditionalist” role which focused on regulatory compliance, controls and risk mitigation, to the desired target state of “specialist” role for the Bank’s Risk Management. The target state of “specialist role” is envisaged to have a more advanced capabilities in terms of sophistication, analytics and systems and focused on enabling risk-reward decision making as well as more proactive risk management and business advisory/strategic function across the Group.

Priority Islamic Policy

The Group has adopted a Priority Islamic Policy (PIP) approach to tap into the faster growing Islamic banking segment within the industry which had contributed to good performance. In 2018, the Priority Islamic Policy achieved 39% of total Islamic Financing Portfolios against total Affin Bank’s and Affin Islamic Bank’s Portfolio target of 40% by year 2020.

Dividend Reinvestment Plan

A Dividend Reinvestment Plan (DRP) had been established by the Bank following the approval of the Shareholders at the EGM held on 15 May 2018. The DRP gives the shareholders of the Company the option to reinvest their whole or portion of the Dividend for which the reinvestment option applies in new Affin Bank shares. Affin Bank had declared and paid a single-tier dividend of 5.0 sen per share for financial year ended 31 December 2018. The 1st Dividend Reinvestment Plan had been applied to the interim dividend and the take up rate was 92.7% of the total interim dividend. The DRP will also be made available for any dividend to be declared in future, which the Board may in its absolute discretion, determine whether the DRP will be applied to the dividend and the portion of the dividend that can be reinvested into new Affin Bank shares.

Capital Management Plan Of Affin Bank / Affin Islamic Bank

The capital management initiatives completed in 2018 are as follows:

Establishment of Additional Tier 1 Capital Securities (ATICS) Programme up to RM3 billion in nominal value during the year by Affin Bank. On 31 July 2018, the Bank had issued RM500 million in nominal value of ATICS under the said programme.

Establishment of sukuk programme by Affin Islamic Bank of up to RM5.0 billion in nominal value for the issuance of Senior Sukuk Murabahah, Tier 2 Sukuk Murabahah and/or Additional Tier 1 Sukuk Wakalah from time to time.

Affin Islamic had in October 2018 issued RM300 million in nominal value of Additional Tier 1 Sukuk Wakalah and RM800 million in nominal value of Tier 2 Sukuk Murabahah under the said Programme.

ORDINARY BUSINESS

➤ AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND REPORTS OF THE DIRECTORS AND AUDITORS

The Company's Audited Financial Statements for the financial year ended 31 December 2018 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 23 April 2019 raised some points on the Company's strategy/financial matters. The Company had vide letter dated 26 April 2019 provided the responses to MSWG.

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

Questions by MSWG (Question 1)

In the Management Discussion & Analysis ("MD&A", page 44 & 45, Annual Report), AFFIN Islamic's priorities in 2019 will be in line with the Group initiatives under the AFFINITY Programme which is to focus on profitability growth and operating efficiencies. The Bank is aiming to enhance its Group's Islamic financing portfolio to 40% by year 2020 as per the BNM's 10-year Financial Sector Blueprint. What is the latest Quarter 1 figures achieved by the Group's Islamic financing portfolio? With the challenging business environment in FY2019, what would be the target for FY2019, in particular the key focus on Small Medium Enterprises segment?

Response by Affin Bank Berhad (Question 1)

As at 31 March 2019, the Islamic financing portfolio achieved 39% of the total financing portfolio of Affin Bank and Affin Islamic Bank as compared to the target of 40% by year 2020. With the challenging business environment in FY2019, the Bank has a target growth of about 10% for loans and deposits in the Small Medium Enterprises (SMEs) segment with planned expansion in the foot print which will enable the Bank to have an added coverage to meet the targeted growth rate. The Bank remains cautiously optimistic in the SMEs segment. Several new products and propositions will be rolled out in year 2019, amongst others include a new start-up financing, a digital-based SME resource application as well as a few bancassurance offerings. Together with some external stakeholders, there will be new services (i.e. e-wallet, upskilling and knowledge sessions) to the market in ensuring SMEs receive the necessary support in line with our commitment to grow this segment.

Questions by MSWG (Question 2)

As stated on page 37, MD&A, the property market remained sluggish and subdued in FY2018 with an overhang of 30,000 unsold completed residential units entering 2019. What strategy is your Group employing in 2019 to maintain its performance in the mortgage segment that continued to register strong growth, increasing by RM2.1 billion from RM8.5 billion in 2017 to RM10.6 billion in 2018? Can you elaborate on the statement “Capitalising on the robust demand for more affordable property, the Bank shifted to focus on selective acquisitions in this segment”?

Response by Affin Bank Berhad (Question 2)

The Group’s strategy to maintain its performance in the mortgage segments in 2019 includes the following:-

- (a) Effective leadership at sales hub with the right sales team who understand the mission of the Bank and are committed to achieving business target. Achievement of targets and productivity of sales by individuals and the team are being tracked and recognized on a monthly basis;
- (b) Differentiation in product offerings by selling and promoting the benefits of value based Islamic financing which differentiate ABB from other competitors;
- (c) Mapping of developers end product to targeted product types, price range and customer segment. The focus is more on residential properties and financing meant for own dwelling;
- (d) Promote brand awareness by having more active relationship with local developers and real estate agents; and
- (e) Having regional operating model of credit and fulfillment centre to improve the turnaround time which allow the Bank to score more points amongst the local developers, solicitors and customers.

Despite the accelerating loan growth in 2018, the Bank remains cautious on the report of overhang of unsold completed residential units and the slide in properties value entering 2019. Given the sluggish property market outlook, the demand for affordable property will still remain high with the government initiative to waive the stamp duty on the instrument of transfer and loan agreement for property price of RM300,000 up to RM1 million. This initiative has driven many developers to adjust their launch pipeline by building affordable homes with price range between RM300,000 to RM700,000.

Questions by MSWG (Question 3)

We note that on page 38 of the MD&A, your card business had outperformed the industry growth in 2018 with double digit growth recorded in all key business drivers such as Card base at 50% vs industry at 5%, Billings at 22% vs industry at 8%, and Receivables at 29% vs industry at 4%. What are the measures taken to ensure that the strong growth in credit card receivables are managed to prevent the receivables from turning non-performing?

Response by Affin Bank Berhad (Question 3)

The measures taken by the Bank to ensure that the strong growth in credit card receivables are managed, to prevent the receivables from turning non-performing, are summarized below:-

- (a) acquire the right good quality customers in high net wealth and mass affluent segment;
- (b) provide education and awareness training for sales channels to acquire the right target segment and supported by strong collection strategies, such as proactive credit management, close monitoring of accounts from early stage to identify early warning triggers and take appropriate counter measures, intensify efforts for recovery of impaired loans and written off accounts;
- (c) Active engagement with panel debts collection agencies to step up recovery efforts.
- (d) Pre-emptive measures to curb credit cost
- (e) Exit the relationship with high dormant customers with no further business opportunities.

Questions by MSWG (Question 4)

What are the measures you have taken to strengthen the sales culture at the branches in your Automotive segment (page 37, MD&A), and maintain your market share? How do you manage the growth of the automotive portfolio with asset preservation strategy as a key focus?

Response by Affin Bank Berhad (Question 4)

To strengthen the sales culture at the branches, the keyword is "engagement". We have been constantly engaged with our hubs and dealers, sharing information with them and looking into ways to help them to improve sales. For example, ABB is the first financial institution to offer Guaranteed Auto Protection or GAP to its hirers in Malaysia. GAP is an insurance that covers the difference between the insurance claim amount and new price of vehicle in event of a total loss or unrecoverable theft. This insurance plan is underwritten by AXA AFFIN General Insurance Berhad.

When GAP was launched in April 2015, the Bank had educated its sales personnel as well as its dealers nationwide on its valued propositions and the sales approach. To date, the Bank managed to achieve a total premium of approximately RM26 million from GAP policies.

We always measure the loan growth target and this has allowed us to focus on automotive market segments that have lower default rates especially in the light of the requirement of MFRS 9. For example, hirers of new Japanese cars in general are better paymasters. Another important aspect of asset reservation strategy apart from selecting the right car segment is to get the right customer from the beginning.

The Employee Provident Fund had raised some points on the Company's strategy/financial matters. The questions from EPF and responses from the Company were as follows:-

Questions by EPF (Question 1)

Referring to page 37 of Annual Report, we noticed a strong 23% growth in mortgage segment, well above the 8-9% of industry. Hence, could the company give us some colour on key initiatives for such a high growth?

Response by Affin Bank Berhad (Question 1)

The key initiatives undertaken by the bank for the strong growth in the mortgage segment are as follows:-

- a) Effective leadership at sales hub with the right sales team who understand the mission of the Bank and committed to achieving business targets. Achievement of targets and productivity of sales by individuals and the team are being tracked and recognised on a monthly basis.
- b) Differentiation of product offerings by selling and promoting the benefits of value based Islamic financing which differentiate ABB from other competitors.
- c) Mapping of developers end product to targeted product types, price range and customer segment. The focus is more on residential properties and financing meant for own dwelling.
- d) Promote brand awareness by having more active relationship with local developers and real estate agents.
- e) Having regional operating model of credit and fulfillment centre to improve the turnaround time, which allow the Bank to score more points amongst the local developers, solicitors and customers.

Questions by EPF (Question 2)

Corporate Banking Division's deposits posted 20.2% growth in FY18, higher than industry average of 7.7%. However, total loan for this segment only fell by 1.3%. Hence, we believe that the higher funding costs in FY18 was attributed to this expensive deposit vs retail deposits. Apart from rising BLR by +10bps recently, is there any strategy left to manage this higher funding costs environment for example to let go some of these expensive deposits?

Response by Affin Bank Berhad (Question 2)

The strategy to manage the high funding cost is to control and closely monitor our fixed deposits (FD) booking where we will be selective in taking new FD customers especially those customers who are interest rate sensitive. By being selective, we may need to go some of the expensive FD customers.

The Corporate Banking Division (CBD) will also introduce campaigns/programs to solicit new current account (CA) customers as well as to retain/defend our existing CA base. This cheaper deposit product will help us to improve our funding cost and the net Interest margin (NIM). CBD will be launching a new robust platform with extensive cash management and trade finance capabilities. This new transaction banking system (NTBS) is expected to go-live in July 2019 which will enable the Bank to unlock new revenue potential across its business.

Questions by EPF (Question 3)

Referring to page 47 of Annual Report, Affin Hwang Capital's FY18 earnings was lower in comparison to FY17 net profit due to higher credit costs. We would like to seek for clarification on the higher credit costs?

Response by Affin Bank Berhad (Question 3)

The higher year-on-year credit costs in financial year 2018 was largely due to provision for individual impairment made for two (2) fixed income assets that were impaired during the year. The impairments were triggered and provided for in the accounts based on the shortfall between the respective assets' book and recoverable values computed based on the proposed restructuring / scheme of arrangement at the material time.

Questions by EPF (Question 4)

On director's remuneration, referring to page 245 and 246 of Annual Report, we noticed that En. Abd Malik bin A Rahman remuneration has doubled from RM363,000 to RM750,000 and the latest figure was actually higher than Mr. Chairman's remuneration. Hence, we appreciate if Affin Bank can give us some colour to the higher payment to En. Abd Malik.

Response by Affin Bank Berhad (Question 4)

The director's remuneration for En Abd Malik A Rahman (En Malik) at Group level for financial year 2018 comprised the full year remuneration from Affin Bank Berhad (ABB), Affin Hwang Investment Bank Berhad (AHIB), Affin Hwang Asset Management Berhad (AHAM) and an amount of RM152,000, being the director's remuneration paid by AHB. AHB became a subsidiary of ABB upon the transfer of its listing status to ABB in February 2018. For financial year 2017, the remuneration of En Malik from ABB was accounted for the full year while for AHIB and AHAM, his remuneration was accounted for three months only, post-acquisition of AHIB and AHAM by Affin bank Berhad (ABB) from Affin Holdings Berhad (AHB) pursuant to the Group's re-organisation completed in October 2017 with ABB as the new bank holding company.

Questions by EPF (Question 4)

We do appreciate the company's efforts in disclosing remuneration of individual directors. However, in line with the step up practise under the Malaysian Corporate Governance Code, it would be great if Affin Bank can provide more details on the remuneration package for the top five management team, in addition to the information on payments to the board members. We also would like to have details on the median, mean and minimum payments to employees (company-wide and group-wide) as EPF encourages the disclosures of information such as the 'highest-to-median employee wage' and 'highest-to-lowest employee wage' ratios. This is in support of the government's initiative in the Budget 2019 for public listed companies in Malaysia to disclose key pay metrics each year in their annual report.

Response by Affin Bank Berhad (Question 4)

The Board is of the view that such disclosure would be disadvantageous to the Bank, given the highly competitive nature in the industry and where poaching of top executives is common. The Board wishes to assure all shareholders that the remuneration of Directors and Senior Management commensurate with the individual's performance, accountabilities and responsibilities benchmarked against the market. The remuneration of Senior Management is based on their experience, expertise, skills and industry benchmarks. Total remuneration of senior management is also set out in the Audited Financial Statements for the financial year 2018, which allow shareholders to assess whether the remuneration of senior management commensurate with their performance, taking into consideration the Bank's performance. Once such disclosures and ratios become industry practice, ABB will do the same.

ORDINARY RESOLUTION 1

➤ **RE-ELECTION OF GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HAJI ZAINUDDIN (R), WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 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 Haji Zainuddin (R) 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 Gen. Dato' Seri Diraja Tan Sri (Dr.) Mohd Zahidi Bin Haji Zainuddin (R), retiring pursuant to Article 118 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 2

➤ **RE-ELECTION OF ENCIK MOHD SUFFIAN BIN HAJI HARON, WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that Encik Mohd Suffian bin Haji Haron 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 Mohd Suffian bin Haji Haron, retiring pursuant to Article 118 of the Company's Constitution, be and was thereby re-elected as Director of the Company."

ORDINARY RESOLUTION 3

➤ **RE-ELECTION OF TAN SRI MOHD GHAZALI BIN MOHD YUSOFF WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 118 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that Tan Sri Mohd Ghazali Bin Mohd Yusoff 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 Tan Sri Mohd Ghazali Bin Mohd Yusoff, retiring pursuant to Article 118 of the Company's Constitution, be and was thereby re-elected as Director of the Company."

ORDINARY RESOLUTION 4

➤ **RE-ELECTION OF DATO' ROZALILA BINTI ABDUL RAHMAN WHO RETIRES PURSUANT TO ARTICLE 124 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that Dato' Rozalila Binti Abdul Rahman 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 Dato' Rozalila Binti Abdul Rahman, retiring pursuant to Article 124 of the Company's Constitution, be and was thereby re-elected as Director of the Company."

ORDINARY RESOLUTION 5

➤ **PAYMENT OF DIRECTORS' FEES, OTHER EMOLUMENTS AND BENEFITS AMOUNTING TO RM2,287,000 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The Chairman of the Meeting sought approval of the shareholders on the proposed payment of Directors' Fees, other emoluments and benefits amounting to RM2,287,000 for the financial year ended 31 December 2018.

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 RM2,287,000 for the financial year ended 31 December 2018, be approved for payment to the Directors"

ORDINARY RESOLUTION 6

➤ **PAYMENT OF NON-EXECUTIVE DIRECTORS' REMUNERATION WITH EFFECT FROM THE 43RD ANNUAL GENERAL MEETING (AGM) UNTIL THE NEXT AGM OF THE COMPANY**

The Chairman of the Meeting sought approval of the shareholders on the proposed payment of Directors' Fees, other emoluments and benefits based on the present Directors' remuneration structure from 1 January 2019 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 based on the present Directors' remuneration structure from 1 January 2019 to the date of the next Annual General Meeting of the Company, be approved."

ORDINARY RESOLUTION 7

➤ **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 2019 at a remuneration to be fixed by the Directors."

ORDINARY RESOLUTION 8

➤ **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 9

- **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 authorized 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.”

ORDINARY RESOLUTION 10

➤ PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND ADDITIONAL SHAREHOLDERS' 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 29 March 2019 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 10 resolutions as set out in the Notice of the 43rd Annual General Meeting dated 29 April 2019 be carried.”

TERMINATION OF MEETING

There being no other business, the meeting ended at 12.30 p.m. with a vote of thanks to the Chair.