

AUDITED FINANCIAL STATEMENTS OF AHAM GROUP FOR THE FYE 31 DECEMBER 2021 (CONT'D)

Affin Hwang Asset Management Berhad

Company No. 199701014290 (429786-T)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

21 Deposits, cash and bank balances

	<u>Group</u>		<u>Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Deposits with financial institutions	179,795	128,493	171,081	125,623
Cash and bank balances	551,501	327,156	544,887	316,142
	<u>731,296</u>	<u>455,649</u>	<u>715,968</u>	<u>441,765</u>

Bank balances in cash and bank balances are included restricted cash which represents amounts received from/due to investors for the creation and cancellation of units of the funds managed by the Group and the Company in accordance with Section 111 of the Capital Markets and Services Act 2007. The total restricted cash of the Group and the Company amounted to RM537.82 million (2020: RM283.65 million) and RM537.18 million (2020: RM283.49 million) respectively.

Weighted average effective interest rates per annum and weighted average maturity of deposits with financial institutions are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Weighted average effective interest rates	<u>1.75%</u>	<u>1.68%</u>	<u>1.73%</u>	<u>1.68%</u>
Weighted average maturity	<u>7 days</u>	<u>4 days</u>	<u>3 days</u>	<u>4 days</u>

22 Trade payables

	<u>Group</u>		<u>Company</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Amounts due to:				
- unit trust funds	519,872	278,456	518,307	278,977
- unitholders	100,677	125,398	100,670	125,221
- others	1,249	1,649	2,578	3,185
	<u>621,798</u>	<u>405,503</u>	<u>621,555</u>	<u>407,383</u>

The credit terms of amounts due to unit trust funds and unitholders range from 1 to 14 days (2020: 1 to 14 days).

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23 Other payables and accruals

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Financial liabilities:				
Amounts due to consultant	13,302	20,279	13,295	20,274
Accrued employee benefits	70,568	51,654	62,862	44,587
Other payables and accruals	56,629	67,707	55,167	64,164
	<u>140,499</u>	<u>139,640</u>	<u>131,324</u>	<u>129,025</u>
Non-financial liabilities:				
Zakat payable	686	662	415	359
	<u>141,185</u>	<u>140,302</u>	<u>131,739</u>	<u>129,384</u>

24 Other liabilities

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Non-current Liabilities				
Financial liabilities:				
Option to buy a subsidiary's shares from non-controlling interest/derivative at fair value through profit or loss (a)	21,450	8,271	21,450	8,116
Obligation to buy shares from the Management shareholder (b)	49,039	34,047	49,039	34,047
	<u>70,489</u>	<u>42,318</u>	<u>70,489</u>	<u>42,163</u>
Current Liabilities				
Financial liabilities:				
Third party interest in funds consolidated by the Company (c)	33,442	84,268	-	-
Obligation to buy shares from the Management shareholder (b)	85,095	73,794	85,096	73,794
	<u>118,537</u>	<u>158,062</u>	<u>85,096</u>	<u>73,794</u>
	<u>189,026</u>	<u>200,380</u>	<u>155,585</u>	<u>115,957</u>

- (a) Option to buy a subsidiary's shares from non-controlling interest/derivative at fair value through profit or loss

This represents the fair value of an option to buy a subsidiary's shares pursuant to the terms of the exit mechanism in a shareholders agreement entered into between the Company and GV Capital Dynamic Sdn Bhd ("GVCD").

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24 Other liabilities (continued)

- (a) Option to buy a subsidiary's shares from non-controlling interest/derivative at fair value through profit or loss (continued)

The Company was granted a call option to acquire the entire 49% equity shares in its subsidiary, AccelVantage Academy Sdn Bhd ("AVA") held by GVCD within 90 days of the call option period. The exercise price under the call option is determined based on pre-agreed formula.

The financial liability at Group is recognised initially at the present value of the redemption amount and accreted through finance charges in the profit or loss over the contract period, up to the final redemption amount.

In the separate financial statement, the option to buy the subsidiary's shares from non-controlling interest is measured at fair value with gain or loss recognised in statement of comprehensive income.

During the financial year, the fair value of the option for the Company is RM21.45 million (2020: RM8.12 million). The change in fair value of RM13.33 million (2020: RM1.51 million) is treated in accordance with MFRS 9 and recognised in statement of comprehensive income of the Company.

The Group recognised the option as a financial liability at amortised cost of RM21.45 million (2020: RM8.27 million). The change of RM13.18 million (2020: RM1.58 million) in the present value of the estimated payout amount using effective interest rate is charged to finance cost amounted to RM0.43 million (2020: RM0.35 million) and RM12.74 million (2020: RM1.23 million) to the other reserves of the Group in accordance with MFRS 10, made up the movement in other reserves totalled RM14.92 million.

- (b) Obligation to buy shares from the Management's shareholders

On 8 March 2019, the options holders have fully exercised the 1,000 employee stock option incentive scheme at exercise price of RM40.30 per share. As a result, the employee stock option holder(s) were allotted a total of 1,111,000 units of new ordinary shares for a total consideration of RM44.77 million. Pursuant to the exercise of the employee stock option incentive scheme, there is a Selective Capital Reduction ("SCR") provision within the scheme which requires the Company to buy back the ordinary shares issued to the option holders from 1 March 2021 to 1 March 2023 at a certain price, if the conditions within the SCR provision are not met by 31 December 2020.

The SCR provision represents a purchase of the Company's own equity instrument and a liability equal to the present value of the estimated future redemption amount is reclassified from equity on initial recognition. The liability is then subsequently measured at amortised cost with the unwinding of the present value of the redemption amount to be recognised as finance costs within the statement of comprehensive income. The remeasurement amount of RM 23.5mil (2020: RM 5.6 million) and unwinding of present value of RM2.8 million (2020: RM5.4 million) has recognised to the statement of the comprehensive income for the financial year end 31 December 2021.

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24 Other liabilities (continued)**(b) Obligation to buy shares from the Management's shareholders (continued)**

The obligation to buy back shares from employee stock option holder(s)'s is estimated to be RM134.1 million as at 31 December 2021 (2020: RM107.8 million).

If an entity revises its estimates of payments or receipts, it shall adjust the gross carrying amount of the financial asset or amortised cost of a financial liability to reflect actual and revised estimated contractual cash flows. The entity recalculates the gross carrying amount of the financial asset or amortised cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate.

(c) Third party interest in funds consolidated by the Company

This represents the units held by other investors of the funds which has been consolidated by the Group as disclosed in Note 11. The amount is equal to a proportion of the Net Asset Value of the funds not held by the Group.

25 Lease liabilities

Details of lease liabilities are as follows:

	Rental- Office Premises RM'000	Photocopier machine RM'000	Total RM'000
Group			
2021			
At 1.1.2021	6,092	1,077	7,169
Additions	332	21	353
Finance cost - charge for the financial year	249	56	305
Lease payment	(4,055)	(337)	(4,392)
At 31.12.2021	<u>2,618</u>	<u>817</u>	<u>3,435</u>
Consist of:			
Non-current	418	541	959
Current	2,200	276	2,476
	<u>2,618</u>	<u>817</u>	<u>3,435</u>

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25 Lease liabilities (continued)

Details of lease liabilities are as follows (continued):

	Rental- Office Premises RM'000	Photocopier machine RM'000	Total RM'000
Group			
2020			
At 1.1.2020	8,771	839	9,610
Additions	1,049	590	1,639
Termination	-	(83)	(83)
Finance cost - charge for the financial year	444	38	482
Lease payment	(4,172)	(307)	(4,479)
At 31.12.2020	<u>6,092</u>	<u>1,077</u>	<u>7,169</u>
Consist of:			
Non-current	2,360	809	3,169
Current	3,732	268	4,000
	<u>6,092</u>	<u>1,077</u>	<u>7,169</u>
Company			
2021			
At 1.1.2021	6,053	1,061	7,114
Additions	241	21	262
Finance cost - charge for the financial year	247	56	303
Lease payment	(4,007)	(323)	(4,330)
At 31.12.2021	<u>2,534</u>	<u>815</u>	<u>3,349</u>
Consist of:			
Non-current	379	541	920
Current	2,155	274	2,429
	<u>2,534</u>	<u>815</u>	<u>3,349</u>

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25 Lease liabilities (continued)

Details of lease liabilities are as follows (continued):

	Rental- Office Premises RM'000	Photocopier machine RM'000	Total RM'000
Company			
2020			
At 1.1.2020	8,660	802	9,462
Additions	1,048	590	1,638
Termination	-	(76)	(76)
Finance cost - charge for the financial year	440	37	477
Lease payment	(4,095)	(292)	(4,387)
At 31.12.2020	<u>6,053</u>	<u>1,061</u>	<u>7,114</u>
Consist of:			
Non-current	2,360	806	3,166
Current	3,693	255	3,948
	<u>6,053</u>	<u>1,061</u>	<u>7,114</u>

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26 Dividends

	Group and Company			
	Dividend per share RM	2021 Amount of net dividend RM'000	Dividend per share RM	2020 Amount of net dividend RM'000
Paid:				
In respect of financial year ended 31 December 2021:				
- Special dividend (paid: 5.5.2021)	5.00	55,555	-	-
- Interim dividend (paid: 29.7.2021)	7.00	77,777	-	-
In respect of financial year ended 31 December 2020:				
- Special dividend (paid: 3.9.2020)	-	-	3.00	33,333
- Interim dividend (paid: 9.9.2020)	-	-	4.00	44,444
- Final dividend (paid: 29.3.2021)	4.00	44,444	-	-
	16.00	177,776	7.00	77,777

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27 Significant related party transactions and balances

In addition to the related party disclosures mentioned elsewhere in the financial statements, the other significant related party transactions and balances are as disclosed below.

(a) Related parties and relationship

The related parties of and their relationship with the Group and the Company are as follows:

Related parties	Relationship
Lembaga Tabung Angkatan Tentera ("LTAT")	Ultimate holding corporate body
Affin Bank Berhad ("ABB")	Penultimate holding company
Affin Hwang Investment Bank Berhad ("AHIB") which owns 63% of the issued and fully paid share capital of the Company	Immediate holding company
Nikko Asset Management ("NAM") International Ltd., which owns 27% of the issued and fully paid share capital of the Company	Substantial shareholder
Subsidiaries and associates as disclosed in Note 11 and 12 to the financial statements	Subsidiaries and associates
 <u>Other related parties</u>	
Subsidiaries and associates of LTAT	Subsidiaries and associated companies of the ultimate holding corporate body
Subsidiaries and associates of NAM international Ltd. As disclosed in its financial statements	Subsidiaries and associated companies of the substantial shareholder
All directors of the Company and certain members of senior management personnel who make critical decisions in relation to the strategic direction of the Company (including their close family members)	Key management personnel

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)****27 Significant related party transactions and balances (continued)****(b) Significant related party transactions**

Company	Holding Company		Subsidiaries		Other Related Parties*		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Income								
Management fee	122	241	3	-	5,742	3,685	5,867	3,926
Commission	-	-	2,669	1,193	227	234	2,896	1,427
Other income								
- Interest	874	650	-	-	-	-	874	650
- Dividend	-	-	9,318	8,000	-	-	9,318	8,000
- Shared service fee	-	-	538	502	38	34	576	536
- Back room service fee	-	-	1,097	858	-	-	1,097	858
- Marketing assistant fee	-	-	651	531	233	203	884	734
- Advisory fee	-	-	-	-	554	363	554	363
- Rental	-	-	521	506	89	89	610	595
- Miscellaneous	10	7	-	-	26	13	36	20
Expense								
Management fee	490	537	18,326	14,785	5,458	3,859	24,274	19,181
Commission	3,493	1,419	600	175	323	429	4,416	2,022
Rebate of performance fee	-	-	250	762	-	-	250	762
Training	-	-	3,296	1,734	-	-	3,296	1,734
Placement fee	-	-	-	85	-	-	-	85
Other expense								
- Advisory fee	-	-	-	-	1,345	1,117	1,345	1,117
- Referral fee	163	29	-	-	424	314	587	344
- Rental	-	-	-	-	2,788	2,788	2,788	2,788
- Utilities	-	-	-	-	119	106	119	106
- Consultancy fee	-	-	-	-	651	40	651	40
- Internal audit fee	100	100	-	-	-	-	100	100
- Travelling	-	-	-	-	152	150	152	150
- Miscellaneous	46	170	-	-	-	162	46	332

* Other related parties included of key management personnel transaction.

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(c) The units held by the key management personnel and related companies in a fund under management of the Company are as follows:

	Group		Company	
	No. of units '000	Net asset value RM'000	No. of units '000	Net asset value RM'000
2021				
Key management personnel	33,423	31,832	29,220	28,579
Related parties	205,801	123,474	111,270	66,172
At 31.12.2021	<u>239,224</u>	<u>155,306</u>	<u>140,490</u>	<u>94,751</u>
2020				
Key management personnel	34,558	35,583	28,772	30,746
Related parties	858,674	730,786	853,795	726,193
At 31.12.2020	<u>893,232</u>	<u>766,369</u>	<u>882,567</u>	<u>756,939</u>

(d) Key management personnel compensation

	Group		Company	
	2021 RM'000	emakin RM'000	2021 RM'000	2020 RM'000
Short term employee benefits	17,308	12,717	13,276	9,907
Post-employment benefits	3,168	2,295	2,461	1,820
Long term employee benefits	-	-	-	-
Directors' fees	762	731	321	321
Directors' allowances	256	266	174	184
Benefits-in-kind	299	218	155	95
	<u>21,793</u>	<u>16,227</u>	<u>16,387</u>	<u>12,327</u>

There were no expenses relating to the employee stock option incentive granted to key management personnel for the financial year ended 2021 and 2020.

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27 Significant related party transactions and balances (continued)

(e) Significant related party balances

	Holding Company		Subsidiaries		Other Related Parties		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company								
Deposit, cash and bank balances	52,883	53,582	-	-	-	-	52,883	53,582
Trade receivables	31	22	3	-	1,147	533	1,181	555
Other receivables	1	1	1,842	750	776	765	2,619	1,516
Trade payables	20	50	1,830	2,500	387	55	2,237	2,605
Other payables	228	89	331	271	416	600	975	960

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**NOTES TO THE FINANCIAL STATEMENTS
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The objectives of the Group and the Company when managing capital are:

- To comply with regulatory capital requirements imposed by the Securities Commission;
- To safeguard the ability of the Group and the Company to continue in operations as a going concern; and
- To ensure availability of funds for future business operations.

The Group and the Company are subject to the following capital requirements under the various guidelines and handbooks:

- (i) As a holder of a Capital Markets and Services Licence ("CMSL") for the regulated fund management activity, a minimum paid up capital of RM2 million and a minimum shareholders' funds of RM2 million at all times;
- (ii) As a holder of a CMSL for the regulated activity of dealing in securities (unit trust products and private retirement scheme products), a minimum paid up capital of RM5 million and a minimum shareholders' funds of RM5 million at all times;
- (iii) As an approved unit trust management company, a minimum shareholders' funds of RM10 million at all times; and
- (iv) As a registered private equity management corporation ("PEMC") for the management of private equity funds and investments, the Company must maintain a minimum shareholders' funds of RM500,000 at all times.

The above-mentioned capital requirements are duly met as the Company has a paid up capital of RM54.77 million and a shareholders' funds of RM82.52 million. There were no activities with regard to this during the financial year. ALLMAN meets the regulatory capital requirement as it has a paid up capital of RM10.00 million and a shareholders' funds of RM49.09 million. BCP meets the regulatory capital requirement as it has paid up capital of RM1.00 million and a shareholders' funds of RM1.14 million.

There has been no change in the capital management approach of the Group and the Company during the current and previous financial year.

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29 Financial risk management

The businesses of the Group and the Company are subject to a variety of risks. Among others, it includes credit risk, market risk and liquidity risk.

Under the direction of the Board of Directors, a Compliance and Risk Management Committee (the "Committee") was formed with a primary task to ensure that risk management policies are in place and functioning. The Committee comprises 3 directors. The Committee has approved the setup of the Compliance and Risk Oversight Committee ("CROC") at the management level. A Risk Management Unit reports to the CROC and monitors the day-to-day risk management function of the Group and the Company and ensures appropriate level of risk management process corresponding to the level of risks undertaken by the business units.

Risk Management Unit raises matters deemed relevant and necessary to the CROC for discussion and directions. It also ensures that any direction by the Compliance and Risk Management Committee is implemented by way of on-going updates to the Group's and Company's policies and procedures.

(a) Credit risk

Credit risk refers to the potential risk of financial loss arising from defaults by counterparties in meeting their obligations, and it mainly involves investments in financial instruments such as fixed income and money market.

The Group and the Company manage this risk by undertaking stringent credit evaluation to ensure that exposure to credit risk is within the Group and the Company's capacity to withstand potential financial losses.

Credit risk in terms of amount receivable for release of units due from funds (trade receivables) is mitigated by regulations from the Securities Commission's Guidelines on Unit Trust Funds which state that the amount receivable from release of units must be paid to the Group and the Company within ten to fourteen days from the date of release. Credit risk with respect to management fee receivable by the Group and the Company from the funds managed is minimal as the fees are settled on a timely basis in accordance with the credit terms of 1 to 90 days.

(b) Market riskPrice risk

Other than the holding of manager's stocks, the Group and the Company undertake proprietary investments by investing in other collective investment schemes ("CIS"), exchange traded funds ("ETF") and fixed income instrument. Price risk arises when the value of the investments in which the Group and the Company invest or manage fluctuates as a result of changes in market prices in response to the general market or economic conditions. Factors such as economic growth, political stability and social environmental are examples of conditions that have an impact on businesses, whether positive or negative.

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29 Financial risk management (continued)**(b) Market risk (continued)**Price risk (continued)

Price risk may sometimes affect a particular sector, industry or even the whole economy. Where the price risk is more concentrated on a particular sector or industry, this risk may be minimised by investing in other sectors or industries, which are not co-related. Where the risks are more systemic, such that every industry or sector moves in tandem with one another, the Group and the Company have appropriate cut-loss policies in place and any decision to liquidate a particular security in tandem with the cut-loss policy or continuing to hold that security will be made at management level together with proper justification made by the Investment team. Exposure, investment and concentration limits are also imposed on the funds managed by the Group and the Company and investments in other CIS to minimise the Group's and Company's risk exposures.

Foreign exchange risk

Foreign exchange risk is the risk that payments received or paid by the Group and the Company being adversely affected by the unfavourable movements in foreign currency exchange rates to Ringgit Malaysia. Significant foreign exchange exposures arising from the holding of financial instruments of which cash flows are denominated in a foreign currency are managed and converted into the Group's and Company's functional currency to minimise the Group's and Company's risk exposures.

Interest rate risk

Interest rate risk is the risk that the cost or value of financial instruments will fluctuate due to fluctuations in interest rates. The Group and the Company's exposure to interest rate risk are proprietary investments and deposits placed with financial institutions on a short-term basis.

In general, when interest rate rise, unquoted Sukuk prices will tend to fall and vice versa. However, should the unquoted Sukuk is being held to its maturity, such price fluctuation would dissipate as it approaches maturity. In order to mitigate the interest rates exposure, the Group will manage the investments via shorter or longer tenured assets depending on the view of the future interest rate trend which is based on continuous fundamental research and analysis.

(c) Liquidity risk

Liquidity risk is the risk of loss due to inability of the Group and the Company to access sufficient funds at a reasonable cost, to meet payment obligations when they fall due.

The Group and the Company practice prudent liquidity management to ensure that there is adequate cash flow to meet all obligations in a timely and cost effective manner. Any excess funds will be placed in short term deposits at competitive interest rates. In addition, this risk is minimised by the Group and the Company by way of purchasing only investment grade securities.

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29 Financial instruments**(a) Maximum exposure to credit risk**

The financial assets of the Group and the Company are subject to credit risk except for manager's stocks, investment in collective investment scheme and investment in Exchange Traded Fund.

For financial assets recognised in the statement of financial position which are subject to credit risk, the maximum exposure to credit risk equals their carrying amounts.

All financial assets held by the Group and the Company as at the end of the reporting period and the previous financial year end are neither past due nor individually impaired.

(b) Credit quality of financial assets that are neither past due nor impaired

The table below presents an analysis of credit quality of financial assets by using external credit ratings provided by RAM, MARC, S&P or equivalent rating by Moody's or Fitch.

	AAA	AA- to AA+	A- to A+	Lower than A-	Unrated	Total
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2021						
Financial assets						
Financial asset at FVTPL (Note 13)	1,008	-	-	-	127,128	128,136
Trade receivables (Note 19) ⁽¹⁾	-	-	-	-	157,476	157,476
Other receivables and deposits (Note 20) ⁽²⁾	-	-	-	-	5,170	5,170
Deposits, cash and bank balances (Note 21)	674,492	56,469	333	-	2	731,296
	675,500	56,469	333	-	289,776	1,022,078
2020						
Financial assets						
Financial asset at FVTPL (Note 13)	1,024	4,844	22,386	26,117	100,976	155,347
Trade receivables (Note 19) ⁽¹⁾	-	-	-	-	262,434	262,434
Other receivables and deposits (Note 20) ⁽²⁾	-	-	-	-	4,614	4,614
Deposits, cash and bank balances (Note 21)	397,769	55,130	2,455	254	41	455,649
	398,793	59,974	24,841	26,371	368,065	878,044

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29 Financial instruments (continued)**(b) Credit quality of financial assets that are neither past due nor impaired (continued)**

Company	AAA RM'000	AA- to AA+ RM'000	A- to A+ RM'000	Lower than A- RM'000	Unrated RM'000	Total RM'000
2021						
Financial assets						
Financial asset at FVTPL (Note 13)	1,008	-	-	-	7,660	8,668
Trade receivables (Note 19) ⁽¹⁾	-	-	-	-	152,007	152,007
Other receivables and deposits (Note 20) ⁽²⁾	-	-	-	-	6,530	6,530
Deposits, cash and bank balances (Note 21)	661,722	53,911	333	-	2	715,968
	662,730	53,911	333	-	166,199	883,173
2020						
Financial assets						
Financial asset at FVTPL (Note 13)	1,024	-	-	-	4,343	5,367
Trade receivables (Note 19) ⁽¹⁾	-	-	-	-	247,431	247,431
Other receivables and deposits (Note 20) ⁽²⁾	-	-	-	-	5,330	5,330
Deposits, cash and bank balances (Note 21)	384,470	55,015	2,278	-	2	441,765
	385,494	55,015	2,278	-	257,106	699,893

(1) Trade receivables

The credit terms of the trade receivables range from 1 to 90 days (2020: 1 to 90 days).

Credit risk in respect of receivables arising from sales and cancellation of unit trusts is minimal as the settlement periods are based on market convention and regulated by the Securities Commission respectively. Management fee receivable by the Group and the Company from the funds managed are settled on a timely basis in accordance with the credit terms of 1 to 90 days.

There were no trade receivables which are impaired and no impairment loss was made in respect of trade receivables during the current and previous financial years.

(2) Other receivable and deposits

Other receivable and deposits also subject to expected credit loss ("ECL") as per accounting policy.

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29 Financial Instruments (continued)

(c) Credit risk concentration

Credit risk concentration of the Group and the Company by industry sector is as disclosed below:

	Financial institutions RM'000	Funds managed by the company RM'000	Others RM'000	Total RM'000
Group				
2021				
Financial asset at FVTPL	309	-	1,008	1,317
Trade receivables (Note 19)	39,854	92,447	25,175	157,476
Other receivables and deposits (Note 20)	218	706	4,246	5,170
Deposits, cash and bank balances (Note 21)	731,296	-	-	731,296
	771,677	93,153	30,429	895,259
2020				
Financial asset at FVTPL	25,228	-	35,694	60,922
Trade receivables (Note 19)	100,484	96,451	65,499	262,434
Other receivables and deposits (Note 20)	222	147	4,245	4,614
Deposits, cash and bank balances (Note 21)	455,649	-	-	455,649
	581,583	96,598	105,438	783,619
Company				
2021				
Financial asset at FVTPL	41	-	1,008	1,049
Trade receivables (Note 19)	37,817	92,141	22,049	152,007
Other receivables and deposits (Note 20)	1,555	201	4,774	6,530
Deposits, cash and bank balances (Note 21)	715,968	-	-	715,968
	755,381	92,342	27,831	875,554
2020				
Financial asset at FVTPL	26	-	1,024	1,050
Trade receivables (Note 19)	98,945	96,233	52,253	247,431
Other receivables and deposits (Note 20)	971	147	4,212	5,330
Deposits, cash and bank balances (Note 21)	441,765	-	-	441,765
	541,707	96,380	57,489	695,576

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29 Financial instruments (continued)

(d) Market risk (continued)

(ii) Exposure to foreign exchange risk

	US Dollar RM'000	Australian Dollar RM'000	Singapore Dollar RM'000	Other currencies RM'000	Total RM'000
Group					
2021					
Financial assets					
Manager's stocks	1,295	273	361	214	2,143
Financial asset at FVTPL	43,132	-	-	-	43,132
Trade receivables	45,465	5,667	4,921	364	56,417
Other receivables	9	-	16	-	25
Deposits, cash and bank balances	10,490	6,563	6,075	2,926	26,054
	100,391	12,503	11,373	3,504	127,771
Financial liabilities					
Trade payables	(34,197)	(7,265)	(6,631)	(106)	(48,199)
Other payables and accruals	(1,044)	(718)	(514)	(75)	(2,351)
	(35,241)	(7,983)	(7,145)	(181)	(50,550)
Net exposure	65,150	4,520	4,228	3,323	77,221
2020					
Financial assets					
Manager's stocks	605	198	276	189	1,268
Financial asset at FVTPL	102,504	-	-	-	102,504
Trade receivables	23,228	10,577	6,736	4,235	44,776
Other receivables	7	-	13	-	20
Deposits, cash and bank balances	28,516	11,108	11,577	4,824	56,025
	154,860	21,883	18,602	9,248	204,593
Financial liabilities					
Trade payables	(26,811)	(14,702)	(11,461)	(4,750)	(57,724)
Other payables and accruals	(1,865)	(892)	(345)	(108)	(3,210)
	(28,676)	(15,594)	(11,806)	(4,858)	(60,934)
Net exposure	126,184	6,289	6,796	4,390	143,659

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29 Financial instruments (continued)

(d) Market risk (continued)

(ii) Exposure to foreign exchange risk (continued)

	US Dollar RM'000	Australian Dollar RM'000	Singapore Dollar RM'000	Other currencies RM'000	Total RM'000
Company					
2021					
Financial assets					
Manager's stocks	1,295	273	361	214	2,143
Financial asset at FVTPL	2,461	-	-	-	2,461
Trade receivables	45,031	5,667	4,691	364	55,753
Other receivables	8	-	16	-	24
Deposits, cash and bank balances	9,883	6,560	5,940	1,449	23,832
	<u>58,678</u>	<u>12,500</u>	<u>11,008</u>	<u>2,027</u>	<u>84,213</u>
Financial liabilities					
Trade payables	(34,028)	(7,265)	(6,631)	(106)	(48,030)
Other payables and accruals	(980)	(718)	(463)	(75)	(2,236)
	<u>(35,008)</u>	<u>(7,983)</u>	<u>(7,094)</u>	<u>(181)</u>	<u>(50,266)</u>
Net exposure	<u>23,670</u>	<u>4,517</u>	<u>3,914</u>	<u>1,846</u>	<u>33,947</u>
2020					
Financial assets					
Manager's stocks	605	198	276	189	1,268
Financial asset at FVTPL	2,446	-	-	-	2,446
Trade receivables	22,278	10,577	6,509	4,235	43,599
Other receivables	7	-	13	-	20
Deposits, cash and bank balances	21,543	11,087	11,299	2,818	46,747
	<u>46,879</u>	<u>21,862</u>	<u>18,097</u>	<u>7,242</u>	<u>94,080</u>
Financial liabilities					
Trade payables	(26,005)	(14,702)	(11,461)	(4,750)	(56,918)
Other payables and accruals	(1,786)	(892)	(345)	(108)	(3,131)
	<u>(27,791)</u>	<u>(15,594)</u>	<u>(11,806)</u>	<u>(4,858)</u>	<u>(60,049)</u>
Net exposure	<u>19,088</u>	<u>6,268</u>	<u>6,291</u>	<u>2,384</u>	<u>34,031</u>

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29 Financial instruments (continued)**(d) Market risk (continued)****(ii) Exposure to foreign exchange risk (continued)**

The table below shows the analysis of the impacts arising from +/- 2% (FY2020: +/-5%) change in the foreign exchange rates to which the Group and the Company have significant exposure as at the end of the reporting period, on the basis that all other variables remain constant.

	Group				Company			
	2021		2020		2021		2020	
	Increase/(Decrease) in profit before taxation				Increase/(Decrease) in profit before taxation			
	+2%	-2%	+5%	-5%	+2%	-2%	+5%	-5%
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
US Dollar	1,303	(1,303)	6,309	(6,309)	473	(473)	954	(954)
Australian Dollar	90	(90)	314	(314)	90	(90)	313	(313)
Singapore Dollar	85	(85)	340	(340)	78	(78)	315	(315)
Other Currencies	66	(66)	220	(220)	37	(37)	119	(119)
	1,544	(1,544)	7,183	(7,183)	678	(678)	1,701	(1,701)

(iii) Interest rate risk

Interest risk rate arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Group and the Company's exposure to the interest rate risk is mainly confined to short term deposit placement with financial institutions. The Group and the Company overcome this exposure by way of maintaining deposits on a short term basis.

The Group and the Company's exposure to interest rate risk associated with deposit with a licensed financial institution is not material as the deposit is held on a short term basis.

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29 Financial instruments (continued)**(e) Liquidity risk disclosure based on remaining contractual maturities**

The table below analyses the assets and liabilities of the Group and the Company into relevant maturity tenures based on the remaining contractual maturities.

The amounts in the table below are the contractual undiscounted cash flows.

	Up to 1 month RM'000	>1 - 3 month RM'000	> 3 - 12 month RM'000	More than 12 months RM'000	No specific maturity RM'000	Total RM'000
Group						
2021						
Liabilities						
Trade payables (Note 22)	(621,306)	(342)	(150)	-	-	(621,798)
Other payables and accruals (Note 23)	(23,930)	(70,876)	(1,131)	-	(44,562)	(140,499)
Other liabilities #	-	-	-	(22,576)	(167,576)	(190,152)
Lease liabilities	(345)	(669)	(1,571)	(1,002)	-	(3,587)
	<u>(645,581)</u>	<u>(71,887)</u>	<u>(2,852)</u>	<u>(23,578)</u>	<u>(212,138)</u>	<u>(956,036)</u>
2020						
Liabilities						
Trade payables (Note 22)	(405,365)	(16)	(122)	-	-	(405,503)
Other payables and accruals (Note 23)	(38,093)	(54,241)	(908)	-	(46,398)	(139,640)
Other liabilities #	-	-	-	(9,163)	(192,109)	(201,272)
Lease liabilities	(372)	(744)	(3,180)	(3,309)	-	(7,605)
	<u>(443,830)</u>	<u>(55,001)</u>	<u>(4,210)</u>	<u>(12,472)</u>	<u>(238,507)</u>	<u>(754,020)</u>

Included in other liabilities is third party interest in funds consolidated by the Company which units issued are puttable back to the Group on demand at the option of the investors. However, the Group does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as the investors of these instruments typically retain them for medium to long term.

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29 Financial instruments (continued)**(e) Liquidity risk disclosure based on remaining contractual maturities (continued)**

	Up to 1 month RM'000	>1 - 3 month RM'000	> 3 - 12 month RM'000	More than 12 months RM'000	No specific maturity RM'000	Total RM'000
Company						
2021						
Liabilities						
Trade payables (Note 22)	(621,213)	(342)	-	-	-	(621,555)
Other payables and accruals (Note 23)	(23,832)	(62,862)	(150)	-	(44,480)	(131,324)
Other liabilities	-	-	-	(22,576)	(134,133)	(156,709)
Lease liabilities	(340)	(660)	(1,535)	(962)	-	(3,497)
	<u>(645,385)</u>	<u>(63,864)</u>	<u>(1,685)</u>	<u>(23,538)</u>	<u>(178,613)</u>	<u>(913,085)</u>
2020						
Liabilities						
Trade payables (Note 22)	(407,367)	(16)	-	-	-	(407,383)
Other payables and accruals (Note 23)	(38,157)	(44,587)	-	-	(46,281)	(129,025)
Other liabilities	-	-	-	(9,163)	(107,840)	(117,003)
Lease liabilities	(367)	(733)	(3,142)	(3,307)	-	(7,549)
	<u>(445,891)</u>	<u>(45,336)</u>	<u>(3,142)</u>	<u>(12,470)</u>	<u>(154,121)</u>	<u>(660,960)</u>

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29 Financial Instruments (continued)**(f) Fair value of financial Instruments**

The fair value of a financial instrument is the amount at which the instrument could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction.

The methods and assumptions used in estimating the fair values of financial instruments are as follows:

(i) Deposits, cash and bank balances

The carrying amount of cash and bank balances is a reasonable estimate of fair value.

For deposits with financial institutions with maturities of less than one year, the carrying amount is a reasonable estimate of fair value.

(ii) Manager's stocks

Fair value of unit trust funds held as manager's stocks is based on the quoted net asset value at the close of business as at the end of the financial year.

(iii) Financial asset at FVTPL

Fair value of unit trust funds is based on the quoted net asset value at the close of business as at the end of the financial year.

Fair value of corporate bonds or Sukuk that trade in markets that are not considered to be active are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs as at the end of the financial year.

(iv) Puttable liability

Fair value of puttable units held by third party investors is based on the quoted net asset value at the close of business as at the end of the financial year.

(vi) Other financial assets and liabilities

The carrying amounts of other financial assets and liabilities less any impairment allowances are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

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The Company classifies financial instruments measured at fair value based on the following fair value hierarchy, which reflects the significance of the inputs used in fair value measurement:

- Level 1** - Quoted price (unadjusted) in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted price included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3 - Inputs for the asset and liabilities that are not based on observable market data (unobservable inputs).

The financial instruments of the Group and the Company, which are measured at fair value, are classified at Level 1 and Level 2 of the fair value hierarchy at inception as follows:

Group 2021	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets:				
Financial asset at FVTPL (Note 13)				
- Collective Investment Scheme	46,684	-	-	46,684
- Quoted equities	74,332	-	-	74,332
- Corporate bonds or Sukuk	-	1,008	-	1,008
- Exchange Traded Fund	5,803	-	-	5,803
- Derivative financial assets	-	309	-	309
Manager's stocks (Note 18)	4,860	-	-	4,860
	<u>131,679</u>	<u>1,317</u>	<u>-</u>	<u>132,996</u>
Financial liabilities:				
- Third party interest in funds consolidated by the Company	(33,442)	-	-	(33,442)

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29 Financial instruments (continued)

(f) Fair value of financial instruments (continued)

Financial instruments measured at fair value (continued)

Group	Level 1	Level 2	Level 3	Total
2020	RM'000	RM'000	RM'000	RM'000
Financial assets:				
Financial asset at FVTPL (Note 13)				
- Collective Investment Scheme	20,966	-	-	20,966
- Quoted equities	70,639	-	-	70,639
- Corporate bonds or Sukuk	-	58,494	-	58,494
- Exchange Traded Fund	2,820	-	-	2,820
- Derivative financial assets	-	2,428	-	2,428
Manager's stocks (Note 18)	8,116	-	-	8,116
	<u>102,541</u>	<u>60,922</u>	<u>-</u>	<u>163,463</u>
Financial liabilities:				
- Third party interest in funds consolidated by the Company	(84,268)	-	-	(84,268)

Company	Level 1	Level 2	Level 3	Total
2021	RM'000	RM'000	RM'000	RM'000
Financial assets:				
Financial asset at FVTPL (Note 13)				
- Collective Investment Scheme	-	-	-	-
- Corporate bonds and sukuk	-	1,008	-	1,008
- Exchange Traded Fund	5,803	-	-	5,803
- Redeemable Preference Share	-	-	1,816	1,816
- Derivative financial assets	-	41	-	41
Manager's stocks (Note 18)	4,860	-	-	4,860
	<u>10,663</u>	<u>1,049</u>	<u>1,816</u>	<u>13,528</u>
Financial liabilities:				
Other liabilities (Note 24)				
- Derivative at fair value through profit or loss	-	-	(21,450)	(21,450)

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29 Financial instruments (continued)

(f) Fair value of financial instruments (continued)

Financial instruments measured at fair value (continued)

Company 2020	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets:				
Financial asset at FVTPL (Note 13)				
- Corporate bonds and sukuk	-	1,024	-	1,024
- Exchange Traded Fund	2,820	-	-	2,820
- Redeemable Preference Share	-	-	1,497	1,497
- Derivative financial assets	-	26	-	26
Manager's stocks (Note 18)	8,116	-	-	8,116
	<u>10,936</u>	<u>1,050</u>	<u>1,497</u>	<u>13,483</u>
Financial liabilities:				
Other liabilities (Note 24)				
- Derivative at fair value through profit or loss	-	-	(8,116)	(8,116)

The Group and the Company consider manager's stocks and financial asset at FVPTL (investment in unit trust and exchange traded fund) as Level 1 of the valuation hierarchy as the fair value is based on the last quoted price per unit of such financial assets. There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

Financial assets that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include corporate bonds or Sukuk and derivative financial assets. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The Group considers third party interest consolidated by the Company as Level 1 of the valuation hierarchy as the fair value is based on the last published net asset value per unit of such puttable instrument.

The following presents the valuation technique and key inputs that were used to determine the fair value for financial asset and liabilities at Level 3 of the fair value hierarchy:

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29 Financial instruments (continued)

(f) Fair value of financial instruments (continued)

Financial instruments measured at fair value (continued)

(i) Redeemable Preference Share

2021	
Valuation technique	Discounted cash flow
Discount rate	5.25%
Company	RM'000
At 1.1.2021	1,497
Additions	-
Change in fair value	319
At 31.12.2021	<u>1,816</u>

2020	
Valuation technique	Discounted cash flow
Discount rate	6.25%
Company	RM'000
At 1.1.2020	1,568
Additions	-
Change in fair value	(71)
At 31.12.2020	<u>1,497</u>

(ii) Derivative at fair value through profit or loss

2021	
Valuation technique	Discounted cash flow
Subsidiary's Assets under Administration growth rate	58% per annum
Discount rate	5.25%
Company	RM'000
At 1.1.2021	(8,116)
Change in fair value	(13,334)
At 31.12.2021	<u>(21,450)</u>

2020	
Valuation technique	Discounted cash flow
Subsidiary's Assets under Administration growth rate	52% per annum
Discount rate	6.25%
Company	RM'000
At 1.1.2020	(6,613)
Change in fair value	(1,503)
At 31.12.2020	<u>(8,116)</u>

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Management does not expect a possible reasonable shift in the key inputs to have a material impact on the fair value of the financial instruments above.

30 Event after reporting period

On 28 January 2022, the holding company, Affin Hwang Investment Bank Berhad, selected key senior management of AHAM and Starlight Asset Sdn Bhd, an investment holding company incorporated by funds managed by CVC Capital Partners, entered into a conditional share sale and purchase agreement for the proposed disposal of 7,594,338 ordinary shares in AHAM, representing approximately 68.35% of the equity interest in AHAM.

Applications will be submitted to the relevant authorities for approval in relation to the proposed disposal.

31 Approval of financial statements

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 23 March 2022.

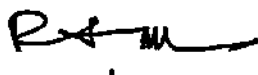
AUDITED FINANCIAL STATEMENTS OF AHAM GROUP FOR THE FYE 31 DECEMBER 2021 (CONT'D)**Affin Hwang Asset Management Berhad**

Company No. 199701014290 (429786-T)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad and Dato' Teng Chee Wai, being two of the Directors of Affin Hwang Asset Management Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 8 to 85 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and financial performance of the Group and the Company for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with their resolution dated 23 March 2022.



RAJA TAN SRI DATO' SERI AMAN BIN RAJA HAJI AHMAD
Chairman



DATO' TENG CHEE WAI
Director

STATUTORY DECLARATION PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Dato' Teng Chee Wai, being the Director primarily responsible for the financial management of Affin Hwang Asset Management Berhad, do solemnly and sincerely declare that the financial statements set out on pages 8 to 85 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

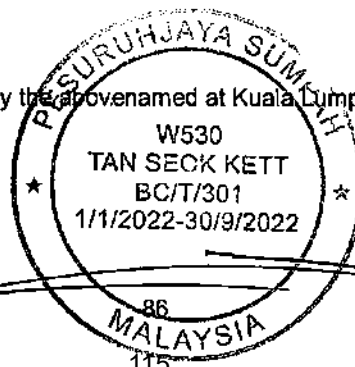


DATO' TENG CHEE WAI
Director

Subscribed and solemnly declared by the abovesigned at Kuala Lumpur on 23 March 2022.

Before me
Lot 333, 3rd Floor
Wisma New Asia
Jalan Raja Chulan
50200 Kuala Lumpur

Commissioner for Oaths





**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AFFIN HWANG ASSET MANAGEMENT BERHAD**
(Incorporated in Malaysia)
Registration No. 199701014290 (429786-T)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Affin Hwang Asset Management Berhad (“the Company”) and its subsidiaries (“the Group”) give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 85.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my

AUDITED FINANCIAL STATEMENTS OF AHAM GROUP FOR THE FYE 31 DECEMBER 2021 (CONT'D)

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AFFIN HWANG ASSET MANAGEMENT BERHAD
(CONTINUED)
(Incorporated in Malaysia)
Registration No. 199701014290 (429786-T)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AFFIN HWANG ASSET MANAGEMENT BERHAD
(CONTINUED)**

(Incorporated in Malaysia)
Registration No. 199701014290 (429786-T)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AFFIN HWANG ASSET MANAGEMENT BERHAD
(CONTINUED)
(Incorporated in Malaysia)
Registration No. 199701014290 (429786-T)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AUDITED FINANCIAL STATEMENTS OF AHAM GROUP FOR THE FYE 31 DECEMBER 2021 (CONT'D)



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AFFIN HWANG ASSET MANAGEMENT BERHAD
(CONTINUED)
(Incorporated in Malaysia)
Registration No. 199701014290 (429786-T)**

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers PLT'.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Foong Mei Lin'.

FOONG MEI LIN
03530/09/2022 J
Chartered Accountant

Kuala Lumpur
23 March 2022

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular. The Board has also confirmed that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make any statement in this Circular false or misleading.

The information pertaining to the Purchaser as contained in this Circular is based on information provided by the management of the Purchaser and/or from publicly available sources. The sole responsibility of the Board is to ensure that such information has been accurately reproduced in this Circular.

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

Affin Hwang IB, being the Principal Adviser to ABB for the Proposed Divestment, has given and has not subsequently withdrawn its consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

As a Vendor, Affin Hwang IB is interested in the Proposed Divestment. However, as a wholly-owned subsidiary of ABB, the interests of Affin Hwang IB and ABB are aligned in all material aspects of the Proposed Divestment. Further, Datuk Wan Razly Abdullah bin Wan Ali, the President and Group Chief Executive Officer of ABB, is also the Non-Independent Executive Director of Affin Hwang IB ("**Said Director**").

Affin Hwang IB has been appointed as the joint principal adviser, joint lead arranger, joint lead manager and joint book runner for ABB in relation to a medium term notes programme and additional Tier 1 capital securities programme.

Notwithstanding the above, Affin Hwang IB is of the view that this would not give rise to a situation of conflict of interest in Affin Hwang IB's role as the Principal Adviser to ABB for the Proposed Divestment for the following reasons:

- (i) Affin Hwang IB is a licensed investment bank and its appointment as Principal Adviser to ABB for the Proposed Divestment is primarily relating to the management and advising on the compliance of the transaction in the context of the Malaysian regulatory framework, which is in Affin Hwang IB's ordinary course of business (being amongst others, the provision of corporate advisory services);
- (ii) the business of ABB Group generally act independent of each other and are each required to comply with their own applicable laws and regulations issued by the relevant regulators;
- (iii) the conduct of Affin Hwang IB is strictly regulated by the Financial Services Act 2013, the CMSA and its own internal policies;
- (iv) the corporate advisory business of Affin Hwang IB is required to be segregated from Affin Hwang IB's other businesses;
- (v) the Said Director is not involved in the management and/or operational affairs in relation to corporate assignments undertaken by the Corporate Finance department of Affin Hwang IB; and
- (vi) Affin Hwang IB is acting in a professional capacity as the Principal Adviser to ABB for the Proposed Divestment.

Further, the Board has confirmed and they have been informed and is aware of the situation as described above and is agreeable to the role of Affin Hwang IB as Principal Adviser to ABB for the Proposed Divestment. The Board also took cognisance of UBS' appointment as the International Financial Adviser to Affin Hwang IB as the Vendor of the Affin Hwang IB Sale Shares.

FURTHER INFORMATION (CONT'D)
3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed below, as at 31 December 2021, the Board is not aware of any material commitments incurred or known to be incurred by ABB, which upon becoming enforceable may have a material impact on the financial position and the business of ABB:

Table 14

	* Principal amount
	RM'000
Direct credit substitutes	548,856
Transaction related contingent items	1,477,614
Short-term self-liquidating trade-related contingencies	461,206
Obligations under an on-going underwriting agreement	-
Irrevocable commitments to extend credit:	
- maturity less than one year	5,069,907
- maturity more than one year	2,039,539
Foreign exchange related contracts:	
- less than one year	25,519,945
- one year to less than five years	897,663
Interest/Profit rate related contracts:	
- less than one year	1,135,000
- one year to less than five years	4,813,000
- more than five years	955,000
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	1,116,522
Unutilised credit card lines	1,163,042
Total	45,197,294

Note:

* *In the normal course of the business, ABB Group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. These commitments and contingencies are not secured over the assets of ABB Group.*

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of ABB at 17th Floor, Menara Affin, 80, Jalan Raja Chulan, 50200 Kuala Lumpur, during normal office hours from Monday to Friday (except public holidays) for a period commencing from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of ABB and AHAM respectively;
- (ii) the SPA;
- (iii) the audited consolidated financial statements for the FYE 31 December 2020 and FYE 31 December 2021 of ABB and AHAM respectively; and
- (iv) the letter of consent referred to in **Section 2** of this **Appendix IV**.



AFFIN BANK BERHAD

(Registration No. 197501003274 (25046-T))
(Incorporated in Malaysia under the Companies Act, 2016)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of Affin Bank Berhad [197501003274 (25046-T)] (“**ABB**”/“**the Company**”) will be broadcasted live from Menara Affin, Lingkaran TRX, Tun Razak Exchange, Jalan Tun Razak, 55188 Kuala Lumpur, Malaysia (“**Broadcast Venue**”) on Wednesday, 25 May 2022 at 11:30 a.m. or immediately following the conclusion or adjournment of the 46th Annual General Meeting of ABB to be held on the same day at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following ordinary resolution:

ORDINARY RESOLUTION

PROPOSED DIVESTMENT OF 7,000,000 ORDINARY SHARES IN AFFIN HWANG ASSET MANAGEMENT BERHAD (“AHAM”), REPRESENTING 63% EQUITY INTEREST IN AHAM, BY AFFIN HWANG INVESTMENT BANK BERHAD (“AFFIN HWANG IB”) TO STARLIGHT ASSET SDN BHD (“PURCHASER”) FOR THE PROVISIONAL CONSIDERATION OF RM1,417.5 MILLION, SUBJECT TO THE CLOSING ADJUSTMENTS AS WELL AS THE TERMS AND CONDITIONS AS SET OUT IN THE CONDITIONAL SHARE SALE AND PURCHASE AGREEMENT DATED 28 JANUARY 2022 ENTERED INTO BETWEEN AFFIN HWANG IB AND SELECTED KEY SENIOR MANAGEMENT OF AHAM (COLLECTIVELY, THE VENDORS) AND THE PURCHASER (“SPA”) (“PROPOSED DIVESTMENT”)

“**THAT**, subject to all approvals being obtained from the relevant regulatory authorities and parties (if required) and the conditions precedent as set out in the SPA being fulfilled or waived (as the case may be), approval be and is hereby given to Affin Hwang IB for the divestment of its 7,000,000 ordinary shares held in AHAM, representing 63% equity interest in AHAM, to the Purchaser for a provisional cash consideration of RM1,417.5 million, subject to the closing adjustments as well as the terms and conditions as set out in the SPA, details of which are set out in the circular to shareholders of ABB in relation to the Proposed Divestment dated 26 April 2022 (“**Circular**”);

THAT, the Board of Directors of ABB (“**Board**”) is hereby authorised to use the proceeds from the Proposed Divestment as set out in Section 5 of the Circular and the Board is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient or in the best interests of ABB;

AND THAT, in order to implement, complete and give full effect to the Proposed Divestment, approval be and is hereby given to the Board, with full power and authority, for and on behalf of the ABB to:

- (a) enter into and execute such further or other agreements, arrangements, undertakings, instruments, documents and/or deeds with any party or parties as the Board may from time to time deem fit, expedient or advisable for or in connection with the Proposed Divestment;
- (b) negotiate, approve, agree, assent and/or give effect to any conditions, variations, modifications, additions and/or amendments in respect of the Proposed Divestment and the SPA (including other documents in relation thereto) and/or any provisions, terms and conditions thereof as may be agreed to/required by any relevant regulatory authorities or as a consequent of any such requirements and/or as the Board deems fit, expedient or advisable; and
- (c) do all such other acts, deeds and things as the Board may from time to time deem fit, necessary, expedient or advisable to implement, finalise and give full effect to the Proposed Divestment and in the best interest of the Company.”

BY ORDER OF THE BOARD

NIMMA SAFIRA KHALID
(LS0009015)
(SSM PC No. 201908001266)
Company Secretary

Kuala Lumpur
26 April 2022

Notes:

- (1) *The EGM will be conducted on a virtual basis through live streaming and online remote voting via Remote Participation and Voting (“RPV”) facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”)’s TIIH Online website at <https://tiih.online>. Please follow the procedures provided in the Administrative Notes for the EGM in order to register, participate and vote remotely via the RPV facilities.*
- (2) *The Broadcast Venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairperson of the meeting to be present at the main venue of the meeting. Members/proxies are not allowed to attend the EGM in person at the Broadcast Venue on the day of the EGM.*
- (3) *A member entitled to participate and vote at this EGM is entitled to appoint proxy(ies) to participate and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of a proxy.*
- (4)
 - (i) *A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“**Authorised Nominee**”) may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company (“**ABB Shares**”) standing to the credit of the said securities account to participate and vote at this EGM.*
 - (ii) *Notwithstanding the above, for an exempt Authorised Nominee which holds ABB Shares for multiple beneficial owners in one (1) securities account (“**Omnibus Account**”), there is no limit to the number of proxies that the exempt Authorised Nominee may appoint in respect of each Omnibus Account.*
- (5) *Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*
- (6) *The instrument appointing a proxy in the case of any individual shall be signed by the appointer or his/her attorney and in the case of a corporation, under its common seal or under the hand of the officer duly authorised.*
- (7) *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 17 May 2022 (General Meeting Record of Depositors) shall be entitled to participate and vote at the EGM.*
- (8) *The appointment of proxy may be submitted in hard copy form or electronically via TIIH Online website at <https://tiih.online>. The hard copy of the Form of Proxy must be deposited at the office of Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time fixed for holding the forthcoming EGM or any adjournment thereof.*
- (9) *If members wish to submit their Form of Proxy electronically, please refer to the Procedures for Electronic Lodgement of Form of Proxy as set out in the Administrative Notes for the EGM.*
- (10) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of EGM of the Company shall be put to vote by way of a poll.*



AFFIN BANK BERHAD

(Registration No. 197501003274 (25046-T))
(Incorporated in Malaysia under the Companies Act, 2016)

FORM OF PROXY

I/We _____ NRIC No./Company No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

Tel No. _____ being a member of **AFFIN BANK BERHAD**, hereby appoint _____

_____ NRIC No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

and _____ NRIC No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

or failing him/her the CHAIRMAN OF THE MEETING as my/our proxy to participate and vote for me/us and on my/our behalf at the Extraordinary General Meeting ("**EGM**") of ABB to be held on Wednesday, 25 May 2022 at 11:30 a.m. or immediately following the conclusion or adjournment of the 46th Annual General Meeting of ABB to be held on the same day at 10:00 a.m., and will be broadcasted live from the Broadcast Venue at Menara Affin, Lingkaran TRX, Tun Razak Exchange, Jalan Tun Razak, 55188 Kuala Lumpur, Malaysia ("**Broadcast Venue**").

My/our proxy(ies) is/are to vote on the resolution as indicated by an "X" below. If no indication is given, my/our proxy(ies) shall vote or abstain as he/she thinks fit:

Ordinary Resolution	FOR	AGAINST
Proposed Divestment		

Signed this on _____ day of _____ 2022

Signature of Member/Common Seal

CDS Account No.:		
No. of ordinary shares held:		
Proportion of shareholdings to be represented by proxies	First Proxy	%
	Second Proxy	%
	Total	100%

Notes:

- (1) The EGM will be conducted on a virtual basis through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**")'s TIH Online website at <https://tiah.online>. Please follow the procedures provided in the Administrative Notes for the EGM in order to register, participate and vote remotely via the RPV facilities.
- (2) The Broadcast Venue of the EGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairperson of the meeting to be present at the main venue of the meeting. Members/proxies are not allowed to attend the EGM in person at the Broadcast Venue on the day of the EGM.
- (3) A member entitled to participate and vote at this EGM is entitled to appoint proxy(ies) to participate and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of a proxy.
- (4) (i) A member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("**Authorised Nominee**") may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company ("**ABB Shares**") standing to the credit of the said securities account to participate and vote at this EGM.
(ii) Notwithstanding the above, for an exempt Authorised Nominee which holds ABB Shares for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies that the exempt Authorised Nominee may appoint in respect of each Omnibus Account.
- (5) Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- (6) The instrument appointing a proxy in the case of any individual shall be signed by the appointer or his/her attorney and in the case of a corporation, under its common seal or under the hand of the officer duly authorised.
- (7) In respect of deposited securities, only Members whose names appear in the Record of Depositors on 17 May 2022 (General Meeting Record of Depositors) shall be entitled to participate and vote at the EGM.
- (8) The appointment of proxy may be submitted in hard copy form or electronically via TIH Online website at <https://tiah.online>. The hard copy of the Form of Proxy must be deposited at the office of Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time fixed for holding the forthcoming EGM or any adjournment thereof.
- (9) If members wish to submit their Form of Proxy electronically, please refer to the Procedures for Electronic Lodgement of Form of Proxy as set out in the Administrative Notes for the EGM.
- (10) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of EGM of the Company shall be put to vote by way of a poll.



Fold this flap for sealing

Then fold here

THE SHARE REGISTRAR OF
AFFIN BANK BERHAD
Company No. 197501003274 (25046-T)

AFFIX
STAMP

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

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ADMINISTRATIVE NOTES FOR EXTRAORDINARY GENERAL MEETING

Mode of Meeting

- The EGM will be conducted on a virtual basis through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's ("Tricor") TIIH Online website at <https://tiih.online>. To participate, members are required to register via Tricor's TIIH Online.

The date, time and Broadcast Venue for the EGM is as follows:-

Date	Time
Wednesday, 25 May 2022	11.30 a.m. or immediately following the conclusion or adjournment of the 46 th Annual General Meeting of Affin Bank Berhad to be held on the same date at 10.00 a.m.
Broadcast Venue	
MENARA AFFIN, LINGKARAN TRX, TUN RAZAK EXCHANGE, JALAN TUN RAZAK, 55188 KUALA LUMPUR, MALAYSIA	

- Members/proxies will not be allowed to be physically present at the Broadcast Venue.

Remote Participation and Voting

- Members/proxies/corporate representatives/attorneys who wish to participate at the EGM may do so using the RPV facilities to be provided by the appointed share registrar for this EGM, Tricor. To participate, members are required to register via Tricor's TIIH Online website at <https://tiih.online> prior to the meeting. For more details, please refer to the Procedures for RPV.

Entitlement to Participate and Vote

- Only members whose names appear on the General Meeting Record of Depositors ("General Meeting ROD") as at 17 May 2022 shall be eligible to participate at the EGM. If a member is unable to participate at the said meeting, he/she may appoint proxy/proxies to participate and vote on his/her behalf. If a member wishes to participate at the said meeting, he/she must not submit any Form of Proxy.
- If a member is unable to participate at the EGM via RPV facilities on 25 May 2022, he/she may also appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy.

Lodgement of Form of Proxy

- The appointment of proxy may be submitted in hard copy form or electronically via TIIH Online website at <https://tiih.online>. The hard copy of Form of Proxy must be deposited at the office of Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. If members wish to submit their Form of Proxy electronically, please refer to the Procedures for Electronic Lodgement of Form of Proxy.
- All Forms of Proxy, original certificates of appointment of corporate representative and power of attorney must be deposited with Tricor no later than 11.30 a.m. on 23 May 2022 (48 hours before the commencement of EGM).
- Members who have appointed proxy/proxies or attorney or authorised representative to participate and vote at the EGM must request their proxy/proxies or attorney or authorised representative to register themselves for RPV via TIIH Online website at <https://tiih.online>.

Questions and Answers

- Members may use the query box facility to submit their questions during the meeting. Subject to the time constraint, the Chairman/Board/Management will address the relevant questions during the Questions and Answers session.

Poll Voting

- The voting will be conducted by way of electronic voting (e-voting) in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as the Poll Administrator to conduct the e-Polling, and Asia Securities Sdn Bhd as the Independent Scrutineers to verify the poll results.
- Members/proxies/corporate representatives/attorneys may proceed to vote on the resolutions from the commencement of the EGM at 11.30 a.m. on Wednesday, 25 May 2022 until the end of the voting session which will be announced by the Chairman of the meeting. Please refer to the Procedures for RPV for guidance on how to vote remotely via Tricor's TIIH Online website at <https://tiih.online>. Upon completion of the voting session, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

ADMINISTRATIVE NOTES FOR EXTRAORDINARY GENERAL MEETING

Pre-Meeting Submission of Question to the Board of Directors

- Members may submit questions to the Board in advance of the EGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than 11.30 a.m. on 23 May 2022. The Board will endeavor to answer the questions received at the EGM.

Circular

- The Company's Circular is available on the Company's website at <https://www.affingroup.com>
- You may request for a printed copy of the Circular at <https://tiih.online> by selecting "Request for Annual Report/Circular" under the "Investor Services". However, we hope you would consider the environmental and sustainability concerns, and refrain from requesting for the printed copy of the Circular.

Enquiry

If members have any enquiries prior to the meeting, please contact our Share Registrar during office hours from Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except for public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.
 General Line : +603-2783 9299
 Fax Number : +603-2783 9222
 Email : is.enquiry@my.tricorglobal.com

Procedures for Remote Participation and Voting

Procedures	Actions
Before the Meeting Day	
<p>Register as a user with TIIH Online</p> <p>Note: If you are already a registered user with TIIH Online, you need not register again</p>	<p>Use your smart device or computer, access Tricor's TIIH Online website at https://tiih.online. Register as a user under the "e-Services" select "Create Account by Individual Holder". Refer to the tutorial guide posted on the homepage for assistance.</p> <p>Registration as a user will be approved within one (1) working day and you will be notified via e-mail.</p> <p>If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.</p>
<p>Register for RPV</p>	<ul style="list-style-type: none"> Registration is open from Tuesday, 26 April 2022 until the day of EGM on Wednesday, 25 May 2022. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the EGM to ascertain their eligibility to participate the EGM using the RPV. Login with your user ID (email address) and password. Select corporate event: "(REGISTRATION) AFFIN BANK BERHAD EGM 2022". Read and agree to the Terms and Conditions and confirm the Declaration. Select "Register for Remote Participation and Voting". Review your registration and proceed to register. System will send an e-mail to notify that your registration for remote participation is received and will be verified. After verification of your registration against the Record of Depositors as at 17 May 2022, the system will send you an e-mail after 23 May 2022 to approve or reject your registration for remote participation. <p>(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV).</p>



ADMINISTRATIVE NOTES FOR EXTRAORDINARY GENERAL MEETING

Procedures	Actions
On the Meeting Day	
Login to TIIH Online	Login with your user ID (email address) and password for remote participation at AFFIN BANK's EGM at any time from 10.30 a.m. onwards i.e. 1 hour prior to the commencement of the meeting at 11.30 a.m. on Wednesday, 25 May 2022.
Participate Through Live Streaming Notes: (i) The connection to the live streaming is dependent on the bandwidth and stability of the internet connection at your location and the device that you are using. (ii) Recommended Requirement for Live Streaming: <ul style="list-style-type: none">• Browser: Chrome or Firefox• Bandwidth: 7 Mbps for High Definition (HD) High Quality video quality or 12 Mbps for Extra HD (EHD) video quality (iii) You may not be able to gain access to the EGM via the RPV facilities if there is an existing firewall on the device that you are using.	<ul style="list-style-type: none">• Select the corporate event “(LIVE STREAM MEETING) AFFIN BANK BERHAD EGM 2022” to engage in the proceedings of the EGM remotely.• If you have any questions for the Chairman/Board, you may use the query box to pose your questions. The Chairman/Board will endeavor to respond to relevant questions submitted by remote participants during the EGM.• In the event that you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call Tricor Help Line at 011-40805616/011-40803168/011-40803169/011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.
Online Remote Voting Note: Voting will commence from 11.30 a.m. on Wednesday, 25 May 2022 until the end of the voting session which will be announced by the Chairman of the meeting.	<ul style="list-style-type: none">• Voting session commences from 11.30 a.m. on Wednesday, 25 May 2022 until a time when the Chairman announces the end of the session.• Select the corporate event: “(REMOTE VOTING) AFFIN BANK BERHAD EGM 2022” or if you are on the live stream meeting page, you can select “GO TO REMOTE VOTING PAGE” button below the Query Box.• Read and agree to the Terms and Conditions and confirm the Declaration.• Select the CDS account that represents your shareholding.• Indicate your votes for the resolutions that are tabled for voting.• Confirm and submit your votes.• Upon the announcement by the Chairman of the conclusion of the EGM, the Live Streaming will end.
Submission of Proxy Register as a user with TIIH Online Note: If you are already a registered user with TIIH Online, you need not register again	<p>i. Individual Shareholders Registration Use your smart device or computer, access Tricor's TIIH Online website at https://tiih.online. Register as a user under “e-Services”. Please refer to the tutorial guide posted on the homepage if you need assistance.</p> <p>Corporation or Institutional Shareholders Registration:-</p> <ul style="list-style-type: none">• Access TIIH Online at https://tiih.online• Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects “Create Account by Representative of Corporate Holder”.• Complete the registration form and upload the required documents.• Registration will be verified, and you will be notified by email within one (1) to two (2) working days.• Proceed to activate your account with the temporary password given in the email and re-set your own password. <p>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</p>

ADMINISTRATIVE NOTES FOR EXTRAORDINARY GENERAL MEETING

Procedures	Actions
On the Meeting Day (continued)	
<p>Submission of Form of Proxy</p> <p>Note: Only members whose names appear on the Record of Depositors as 17 May 2022 shall be eligible to attend, speak and vote at the EGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.</p> <p>In view that the EGM will be conducted on a virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Form of Proxy.</p> <p>If you wish to participate in the EGM yourself, please do not submit any Form of Proxy for the EGM. You will not be allowed to participate in the EGM together with a proxy appointed by you.</p> <p>Accordingly, forms of proxy and/or documents relating to the appointment of proxy/corporate representative/attorney for the EGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than Monday, 23 May 2022 at 11.30 a.m.</p>	<p>i. Steps for Individual Shareholders</p> <ul style="list-style-type: none"> • After the publication of the Notice of the EGM by the Company, login with your user ID (email address) and password. • Select the corporate event: “AFFIN BANK BERHAD EGM 2022 - SUBMISSION OF FORM OF PROXY”. • Read and agree to the Terms & Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy/proxies to vote on your behalf. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy/proxies will decide on your vote. • Review and confirm your proxy/proxies appointment. • Print Form of Proxy for your record. <p>ii. Steps for corporation or institutional shareholders</p> <ul style="list-style-type: none"> • Login to TIIH Online at https://tiih.online • Select the corporate exercise name: “AFFIN BANK BERHAD EGM 2022: SUBMISSION OF FORM OF PROXY” • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for “Submission of Form of Proxy” in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate exercise name: “AFFIN BANK BERHAD EGM 2022: SUBMISSION OF FORM OF PROXY”. • Proceed to upload the duly completed proxy appointment file. • Select “Submit” to complete your submission. • Print the confirmation report of your submission for your record.