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AFFIN HOLDINGS BERHAD

(Company No. 23218-W)

(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS
in relation to the**

PART A

**PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE AND
ADDITIONAL MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**

PART B

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
OF THE COMPANY**

The resolutions pertaining to the above proposals are set out in the Notice of the Company’s Thirty-second (32nd) Annual General Meeting which is attached in the Annual Report of the Company for the financial year ended 31 December 2007 together with the Form of Proxy. The Form of Proxy must be lodged at the registered office of the Company at 7th Floor, Chulan Tower, 3, Jalan Conlay, 50450 Kuala Lumpur not less than forty-eight (48) hours before the time stipulated for holding the AGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy: 14 April 2008 at 10.00 a.m.

Date and time of the AGM: 16 April 2008 at 10.00 a.m.

Venue of AGM: 13th Floor, Bangunan LTAT, Jalan Bukit Bintang, 55100 Kuala Lumpur

This Circular is dated 25 March 2008

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

“AACS”	:	AFFIN-ACF Capital Sdn Bhd (6521-U), a wholly-owned subsidiary of AFFIN
“AACF”	:	AFFIN-ACF Holdings Sdn Bhd (347428-X), a wholly-owned subsidiary of AFFIN
“Act”	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
“ABB”	:	AFFIN Bank Berhad (25046-T), a wholly-owned subsidiary of AFFIN
“AFFIN” or the “Company”	:	AFFIN Holdings Berhad (23218-W)
“AFFIN-ADB”	:	AFFIN-ADB Sdn Bhd (112325-D) (<i>formerly known as AFFIN Discount Berhad</i>), a wholly-owned subsidiary of AFFIN
“AFFIN Fund”	:	AFFIN Fund Management Berhad (22728-T) (<i>formerly known as AFFIN Fund Management Sdn Bhd</i>), a wholly-owned subsidiary of AFFIN Investment
“AFFIN Group” or the “Group”	:	AFFIN and its subsidiary companies as defined in Section 5 of the Act
“AFFIN Islamic”	:	AFFIN Islamic Bank Berhad (709506-V), a wholly-owned subsidiary of ABB which in turn is a wholly-owned subsidiary of AFFIN
“AFFIN Investment”	:	AFFIN Investment Bank Berhad (9999-V), a wholly-owned subsidiary of AFFIN
“AFFIN Securities”	:	AFFIN Securities Sdn Bhd (431338-P), a wholly-owned subsidiary of AFFIN Capital Sdn Bhd (435695-P) (<i>formerly known as AFFIN Capital Holdings Sdn Bhd</i>) which in turn is a wholly-owned subsidiary of AFFIN
“AFFIN Trust”	:	AFFIN Trust Management Berhad (239020-T), a wholly-owned subsidiary of AFFIN Fund which in turn is a wholly-owned subsidiary of AFFIN Investment
“AGM”	:	Annual general meeting
“AIB”	:	AFFIN Insurance Brokers Sdn Bhd (38040-H), a wholly-owned subsidiary of AACF which in turn is a wholly-owned subsidiary of AFFIN
“Articles”	:	Articles of Association

DEFINITIONS (continued)

“AXA AFFIN Life”	:	AXA AFFIN Life Insurance Berhad (723739-W), a 51%-owned subsidiary of AFFIN
“Board”	:	Board of Directors of AFFIN
“Boustead”	:	Boustead Holdings Berhad (3871-H), a major shareholder of AFFIN and a 56.41%-owned subsidiary of LTAT as at 29 February 2008
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (635998-W)
“Director”	:	As defined in Section 4 of the Act and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer (or any other company which is its subsidiary or holding company or a chief executive officer of the listed issuer, its subsidiary or holding company)
“Irat”	:	Irat Hotels & Resorts Sdn Bhd, a 70%-owned subsidiary of Irat Properties Sdn Bhd which in turn is a 90%-owned subsidiary of LTAT
“Listing Requirements”	:	Listing Requirements of Bursa Securities
“LPD”	:	21 March 2008, being the latest practicable date prior to the printing of this Circular
“LTAT”	:	Lembaga Tabung Angkatan Tentera, a major shareholder of AFFIN
“Major Shareholder”	:	A person who has an interest or interests in one (1) or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is (i) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares in the company; or (ii) equal to or more than not less than 5% of the aggregate of the nominal amounts of all the voting shares in the company where such person is the largest shareholder of the company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 6A of the Act.
“Perwira Niaga”	:	Perbadanan Perwira Niaga Malaysia, a wholly- owned corporation of LTAT
“Proposed Amendments”	:	Proposed Amendments to the Articles of the Company

DEFINITIONS (continued)

“Proposed Shareholders’ Mandate”	:	Proposed renewal of shareholders’ mandate and additional mandate for the AFFIN Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day to day operations and are in the ordinary course of business of the Group
“Recurrent Related Party Transactions”	:	Recurrent related party transactions of a revenue or trading nature which are necessary for the day to day operations and are in the ordinary course of business of the AFFIN Group as specified in section 2.2.2 of Part A of this Circular
“Related Company”	:	The company which transacts with the AFFIN Group which involves the interest, direct or indirect, of a Related Party
“Related Party or Related Parties”	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Share(s)”	:	Ordinary share(s) of RM1.00 each in AFFIN
“2007 Annual Report”	:	Annual report of AFFIN issued for the financial year ended 31 December 2007

Unless specifically referred to, words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall also include the feminine gender and vice versa.

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PART A



AFFIN HOLDINGS BERHAD

(Company No. 23218-W)
(Incorporated in Malaysia)

Registered Office:

7th Floor, Chulan Tower
3, Jalan Conlay
50450 Kuala Lumpur

25 March 2008

Board of Directors of AFFIN:

Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin (*Chairman*)
Tan Sri Dato' Lodin bin Wok Kamaruddin (*Managing Director*)
Maj. Gen. (R) Dato' Mohamed Isa bin Che Kak (*Independent Non-Executive Director*)
Raja Dato' Seri Aman bin Raja Haji Ahmad (*Independent Non-Executive Director*)
Datuk Azzat bin Kamaludin (*Non-Independent Non-Executive Director*)
Dato' Mustafa bin Mohamad Ali (*Independent Non-Executive Director*)

To: The Shareholders of AFFIN

Dear Sir / Madam

PROPOSED SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 13 April 2007, the Company obtained a general mandate from its shareholders for the Company and its subsidiaries to enter into recurrent related party transactions with Related Parties that are necessary for the day-to-day operations and are in the ordinary course of business carried out on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public.

The said general mandate for recurrent related party transactions shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company.

In this regard, on 24 March 2008, your Board announced the Company's intention to seek shareholders' approval for a renewal of general mandate, as well as, additional mandate for the Company and / or its subsidiaries to enter into Recurrent Related Party Transactions with the classes of Related Parties at the forthcoming AGM in line with Part E, Chapter 10.09 of the Listing Requirements.

The Proposed Shareholders' Mandate, if approved by the shareholders at the forthcoming AGM, will be subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders Mandate, shall only continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the said AGM, whereby the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Act, (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting;

whichever is earlier.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING THERETO TO BE TABLED AT THE FORTHCOMING AGM.

SHAREHOLDERS ARE ADVISED TO READ THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTION IN RELATION TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING AGM.

2. DETAILS OF PROPOSED SHAREHOLDERS' MANDATE

2.1 Principal activities of AFFIN Group

AFFIN is principally an investment holding company while the activities of its subsidiary companies are as follows:

Name	Effective equity interest held %	Principal activities
ABB	100.00	Provision of commercial banking and hire purchase services
AACF	100.00	Investment holding
AFFIN-ADB	100.00	Investment holding
AFFIN Investment	100.00	Provision of investment banking services
AFFIN Moneybrokers Sdn Bhd	100.00	Moneybroking
AFFIN Capital Sdn Bhd <i>(formerly known as AFFIN Capital Holdings Sdn Bhd)</i>	100.00	Investment holding
AXA AFFIN Life	51.00	Life insurance
<u><i>Subsidiary companies of ABB</i></u>		
AFFIN Islamic	100.00	Provision of Islamic banking services

Name	Effective equity interest held %	Principal activities
PAB Properties Sdn Bhd	100.00	Property management services
ABB Nominee (Tempatan) Sdn Bhd	100.00	Share nominee services
PAB Property Development Sdn Bhd	100.00	Dormant
PAB Property Management Services Sdn Bhd	100.00	Dormant
ABB Venture Capital Sdn Bhd	100.00	Dormant
AFFIN Futures Sdn Bhd	100.00	Dormant
ABB Nominee (Asing) Sdn Bhd	100.00	Share nominee services
ABB IT & Services Sdn Bhd	100.00	Dormant
AFFIN Factors Sdn Bhd	100.00	Factoring credit facilities
BSNCB Nominees (Tempatan) Sdn Bhd	100.00	Dormant
BSNC Nominees (Tempatan) Sdn Bhd	100.00	Dormant
AFFIN Recoveries Berhad	100.00	Dormant
BSN Merchant Nominees (Tempatan) Sdn Bhd	100.00	Dormant
BSN Merchant Nominees (Asing) Sdn Bhd	100.00	Dormant
ABB Asset Management (M) Berhad	100.00	Dormant
ABB Trustee Berhad #	100.00	Trustee management services
AFFIN-ACF Nominees (Tempatan) Sdn Bhd	100.00	Dormant
<i><u>Subsidiary companies of AACF</u></i>		
AACS	100.00	Dormant
AIB	100.00	Insurance broking

Name	Effective equity interest held	Principal activities
	%	
AFFIN Leasing Sdn Bhd	-	In members' voluntary winding-up
AFFIN.Com Sdn Bhd	-	In members' voluntary winding-up
AFFIN-ACF Management Services Sdn Bhd	-	In members' voluntary winding-up
 <i><u>Subsidiary company of AFFIN Fund</u></i>		
AFFIN Trust	100.00	Dormant
 <i><u>Subsidiary companies of AFFIN Investment</u></i>		
AFFIN Fund	100.00	Asset management
Merchant Nominees (Asing) Sdn Bhd	100.00	Dormant
Merchant Nominees (Tempatan) Sdn Bhd	100.00	Nominee services
Classic Precision Sdn Bhd	66.89	Investment holding
AFFIN Nominees (Tempatan) Sdn Bhd	100.00	Nominee services for local investors
AFFIN Nominees (Asing) Sdn Bhd	100.00	Nominee services for foreign investors
Amsteel Equity Nominees (Tempatan) Sdn Bhd	-	In members' voluntary winding-up
Amsteel Equity Nominees (Asing) Sdn Bhd	-	In members' voluntary winding-up
 <i><u>Subsidiary companies of AFFIN Capital Sdn Bhd (formerly known as AFFIN Capital Holdings Sdn Bhd)</u></i>		
AFFIN Securities	-	In members' voluntary winding-up

Note:

20% held directly by AFFIN and 80% held by ABB's Directors in trust for the bank

2.2 Classes and nature of Recurrent Related Party Transactions

2.2.1 Classes of Related Parties

The Proposed Shareholders' Mandate would apply to transactions with the Related Parties. The classes of the Related Parties are as follows:

Related Parties	Relationship
Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin	Chairman of AFFIN, nominated by LTAT
Tan Sri Dato' Lodin bin Wok Kamaruddin	Common director of AFFIN, ABB, AFFIN Investment, Boustead, Boustead Properties Berhad ("Boustead Properties") and Boustead Travel Services Sdn Bhd ("Boustead Travel") and Chief Executive of LTAT
Datuk Azzat bin Kamaludin	Common director of AFFIN and Boustead, nominated by LTAT
David William Matthews	A Director of AXA AFFIN Life, nominated by AXA Asia Pacific Ltd
Vincent Kwo Shih Kang	A Director of AXA AFFIN Life, nominated by AXA Asia Pacific Ltd
AXA Asia Pacific Ltd	The sole shareholder of National Mutual International Pty Ltd ("NMI"), which in turn holds 49% equity interest of AXA AFFIN Life
Azzat & Izzat	A legal firm in which Datuk Azzat bin Kamaluddin, a director of AFFIN and Boustead, is a partner
Boustead	A major shareholder of AFFIN and a 56.41%-owned subsidiary of LTAT as at 29 February 2008
Boustead Advertising Sdn Bhd ("Boustead Advertising")	A wholly-owned subsidiary of Boustead
Boustead Curve Sdn Bhd ("Boustead Curve")	A wholly-owned subsidiary of Boustead Properties which in turn is a 56%-owned subsidiary of Boustead
Boustead Hotel & Resorts Sdn Bhd	A wholly-owned subsidiary of Boustead Properties which in turn is a 56%-owned subsidiary of Boustead

Related Parties	Relationship
Boustead Management Services Sdn Bhd (“BMS”)	A wholly-owned subsidiary of Boustead
Boustead Petroleum Sdn Bhd (“Boustead Petroleum”)	A 58%-owned subsidiary of Boustead
Boustead Properties	A 56%-owned subsidiary of Boustead
Boustead Realty Sdn Bhd (“Boustead Realty”)	A 56%-owned subsidiary of Boustead
Boustead Travel	A wholly-owned subsidiary of Boustead
Irat	A 70%-owned subsidiary of Irat Properties Sdn Bhd which in turn is a 90%-owned subsidiary of LTAT
LTAT	A major shareholder of AFFIN with direct and indirect interest of 45.59% and a major shareholder of Boustead with 56.41% interest as at 29 February 2008
Perwira Niaga	A wholly-owned corporation of LTAT

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2.2.2 Nature of Recurrent Related Party Transactions

The nature of the Recurrent Related Party Transactions, which are to be covered by the Proposed Shareholders' Mandate, and the estimated value of the Recurrent Related Party Transactions are as follows:

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
FOR RENEWAL OF SHAREHOLDERS' MANDATE					
AFFIN	BMS	Provision of share registrar services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	190	Monthly
	Irat	Rental payment for rental of office premises, car park and utilities charges payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	690	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN (continued)	Boustead Travel	Provision of travelling related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	17	As and when required
	Azzat & Izzat	Legal fees	<u>Interested Director</u> Datuk Azzat bin Kamaludin	50	As and when required
	Boustead Hotels & Resort	Hotel facilities and refreshment	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	40	As and when required

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN (continued)	Boustead Advertising	Artwork and material charges for printing of annual report and other services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	5	Annually
ABB	Perwira Niaga	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	74	Monthly
	Boustead Travel	Provision of travelling related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	618	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
ABB (continued)	Boustead Properties	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every five (5) years	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	10,439	Monthly
	LTAT	Rental payment for rental of office premises payable monthly for a lease term renewable every three (3) years	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	700	Monthly
	Boustead Curve	Rental payment for rental of office premises payable monthly for a lease term renewable every three (3) years	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	328	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
ABB (continued)	Azzat & Izzat	Legal fees	<u>Interested Director</u> Datuk Azzat bin Kamaludin	20	Annually
AIB	LTAT	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	157	Monthly
AFFIN Moneybrokers Sdn Bhd	Boustead Realty	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	312	Monthly
	Boustead Advertising	Artwork and material charges for printing of annual report	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	2	As and when required

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN Moneybrokers Sdn Bhd (continued)	Boustead Travel	Provision of travelling related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	75	As and when required
AFFIN Fund	Boustead Realty	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	452	Monthly
	LTAT	Management fees	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> LTAT and Boustead	160	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN Investment	Boustead Travel	Provision of travelling related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	860	AFFIN Investment
	Boustead Realty	Rental payment for rental of office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	2,070	Monthly
	Boustead Petroleum	Petrol consumption	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	26	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN Investment (continued)	Boustead Curve	Rental payment for rental of office premises, car parking and utilities charges monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	290	Monthly
	Boustead Advertising	Artwork and material charges for printing for signing ceremonies and other services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	22	As and when required
	Irat	Rental payment for rental of office premises, car parking and utilities charges monthly for a lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	2,977	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AXA AFFIN Life	Irat	Rental payment for rental of office premises, car park and utilities charges for lease term renewable every three (3) years and payment for other related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	1,440	Monthly
	AXA Asia Pacific Ltd	Provision of information technology support services	<u>Interested Directors</u> David William Mathews and Vincent Kwo Shih Kang <u>Interested Major Shareholder</u> AXA Asia Pacific Ltd	7,809	Monthly
Sub-total				29,823	
FOR ADDITIONAL SHAREHOLDERS' MANDATE					
ABB	Boustead Hotel & Resorts Sdn Bhd	Hotel accommodation	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	10	Monthly

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AFFIN Investment	Boustead Hotel & Resorts Sdn Bhd	In-house training	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	65	As and when required
AFFIN Islamic	Boustead Travel	Provision of travelling related services	<u>Interested Directors</u> Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Tan Sri Dato' Lodin bin Wok Kamaruddin and Datuk Azzat bin Kamaludin <u>Interested Major Shareholders</u> Boustead and LTAT	260	Annually

Name of company	Related Company	Nature of transaction	Interested Directors / Major Shareholders / persons connected to Directors or Major Shareholders ^(a)	Estimated aggregate value from 16 April 2008 to next AGM date # RM'000	Frequency of transaction
AXA AFFIN Life	AXA Asia Pacific Ltd	Provision of other support services	<u>Interested Directors</u> David William Mathews and Vincent Kwo Shih Kang. <u>Interested Major Shareholder</u> AXA Asia Pacific Ltd	3,129	Monthly
Sub-total				3,464	
GRAND TOTAL				33,287	

Notes:

^(a) The nature of relationship with the Related Company is outlined in section 2.2.1 of this Circular.

The estimated value of transactions are derived from the sums incurred or received during the past year, based on normal level of transactions entered into by the Group. However the actual value of these transactions may differ from the value stated.

2.3 Basis of estimates

The abovementioned estimated values in respect of each transaction referred to above are based on prevailing prices obtained from the Related Parties which are reasonable market-competitive prices and are derived from the sums incurred or received during the past year, based on the normal level of transactions entered into by the Group. The estimated amounts are further based on the assumptions that current level of operations will continue and all external conditions remain constant.

2.4 Review procedures in relation to Recurrent Related Party Transactions

The AFFIN Group has internal control systems to ensure that the Recurrent Related Party Transactions are undertaken on an arm's length basis and on normal commercial terms consistent with the Group's usual business practices and policies, which are not more favourable to the interested parties than those extended to third parties / public and are not to the detriment of the minority shareholders.

To monitor the Recurrent Related Party Transactions, the procedures adopted by the AFFIN Group are as follows:

- (a) A list of the Related Parties is circulated within the AFFIN Group and all Related Parties are notified that all Recurrent Related Party Transactions are required to be undertaken on normal commercial terms.
- (b) The Recurrent Related Party Transactions would be reviewed by the senior management of AFFIN or its subsidiary companies before they are entered into to ensure that the terms are not more favourable than those generally available to the public.
- (c) The annual internal audit plan shall incorporate a review of all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals from the Board and shareholders have been obtained and review procedures are followed.
- (d) The Board and the Audit Committee shall review the internal audit reports to ascertain that the procedures established to monitor Recurrent Related Party Transactions have been complied with.
- (e) If a member of the Board or of the Audit Committee has an interest, as the case may be, he shall abstain from any decision making by the Board or Audit Committee in respect of the said transactions.
- (f) A register shall be maintained by the Company to record all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate.
- (g) Save as stated above, the transaction prices, terms and conditions are determined by market forces and are comparable to those applicable transactions with the public, which depend on the demand and supply of the products and services. The rental of the properties is determined by negotiated rates, after taking into account the prevailing market rates for the same or substantially similar properties in terms of space occupied and amenities / facilities offered and are on normal commercial terms.

2.5 Audit Committee statement

The Audit Committee has seen and reviewed the procedures mentioned in section 2.4 and is satisfied that the review procedures for the Recurrent Related Party Transactions, as well as the annual review to be made by the Audit Committee in relation thereto, are sufficient to ensure that the Recurrent Related Party Transactions will be made at arm's length and in accordance with the Company's normal commercial terms and are not more favourable to the Related Party than those generally available to the public and are not to the detriment of the minority shareholders.

The Audit Committee shall annually review the Recurrent Related Party Transactions and also review the established guidelines and procedures to ascertain that they have been complied. If during the periodic review, the Audit Committee is of the opinion that the guidelines and procedures are not sufficient to ensure that the Recurrent Related Party Transactions will be conducted at arm's length basis and on normal commercial terms in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public and will not be prejudicial to the shareholders or disadvantageous to the Company, the Company will obtain a fresh shareholders' mandate based on new guidelines and procedures.

2.6 Disclosure in annual report

Disclosure will be made in the Company's annual report in respect of transactions conducted pursuant to the Proposed Shareholders' Mandate. In accordance with applicable approved accounting standards in Malaysia and Section 4.1.5 of Practice Note 12/2001 of the Listing Requirements, the annual report will set out a breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year, amongst others, based on the following information:

- (a) the type of the Recurrent Related Party Transactions made; and
- (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationship with the Company.

2.7 Financial effect on the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate is not expected to have any material effects on the earnings per share and net assets at the Group level, issued and paid-up share capital and substantial shareholders' shareholding of the Company.

3. RATIONALE FOR PROPOSED SHAREHOLDERS' MANDATE

The rationales for the Proposed Shareholders' Mandate to the AFFIN Group are as follows:

- (a) the Proposed Shareholders' Mandate will empower the Group to enter into transactions with Related Parties which are necessary in day-to-day operations of the Group, undertaken at arm's length, normal commercial terms, on terms not more favourable to the Related Party than those generally made available to the public and are not detrimental to the minority shareholders;

- (b) the Proposed Shareholders' Mandate will substantially reduce the expenses associated with convening of general meetings on an ad hoc basis and hence will reduce the expenses associated therewith; and
- (c) the Recurrent Related Party Transactions entered into by the Group are intended to meet business needs at the best possible terms which will be of benefit to all the companies within the AFFIN Group.

4. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of the non-interested shareholders of the Company at the forthcoming AGM.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

The aforementioned interested Directors, where applicable, had abstained and will continue to abstain from all deliberations and voting in relation to the Proposed Shareholders' Mandate at the Company's Board meetings.

The aforementioned interested Directors and Major Shareholders will abstain and have undertaken to ensure that the persons connected to them, if any, will also abstain from voting in respect of their direct and indirect shareholdings on the resolution pertaining to the Proposed Shareholders' Mandate at the AGM to be convened.

The direct and indirect shareholdings of the interested Directors and Major Shareholders in AFFIN as per the Register of Directors' Shareholdings and Register of Depositors as at 29 February 2008 are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
<u>Interested Directors</u>				
Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin	30,000	*	-	-
Tan Sri Dato' Lodin bin Wok Kamaruddin	808,714 [^] #	0.05	-	-
Datuk Azzat bin Kamaludin	110,000	0.01	-	-
<u>Interested Major Shareholders</u>				
LTAT	510,107,363	34.14	305,881,626	20.47
Boustead	305,881,626	20.47	-	-

Notes:

[^] 8,714 units of shares are held in trust by nominee company

* Insignificant

@ Deemed interested pursuant to Section 6A of the Act

As at 29 February 2008, Tan Sri Dato' Lodin bin Wok Kamaruddin holds 1,500 Warrants 2000/2010

Save as disclosed above, none of the other Directors and Major Shareholders or any persons connected with the Directors and/or Major Shareholders as defined in the Listing Requirements have any interest, direct or indirect, in the Proposed Shareholders' Mandate.

6. DIRECTORS' RECOMMENDATION

Having considered all aspects of the Proposed Shareholders' Mandate, the Board (save and except for the interested Directors, who are deemed interested in the Proposed Shareholders' Mandate and have abstained from giving an opinion in respect of the Proposed Shareholders' Mandate) is of the opinion that the Proposed Shareholders' Mandate is in the best interest of AFFIN and its shareholders.

Accordingly, the Board (save and except for the interested Directors, who are deemed interested in the Proposed Shareholders' Mandate and have abstained from recommending in respect of the Proposed Shareholders' Mandate) recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

7. AGM

The AGM of the Company, the notice of which is enclosed in the 2007 Annual Report, will be held at 13th Floor, Bangunan LTAT, Jalan Bukit Bintang, 55100 Kuala Lumpur on 16 April 2008 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the Form of Proxy in accordance with the instructions therein as soon as possible and in any event so as to arrive at the Company's registered office not less than forty-eight (48) hours before the time fixed for the AGM. The lodging of the Form of Proxy does not preclude you from attending and voting in person should you subsequently wish to do so.

8. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix II for additional information.

Yours faithfully
For and on behalf of the Board
AFFIN HOLDINGS BERHAD

MAJ. GEN. (R) DATO' MOHAMED ISA BIN CHE KAK
Independent Non-Executive Director

PART B



AFFIN HOLDINGS BERHAD

(Company No. 23218-W)
(Incorporated in Malaysia)

Registered Office:

7th Floor, Chulan Tower
3, Jalan Conlay
50450 Kuala Lumpur

25 March 2008

Board of Directors of AFFIN:

Gen. (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin (*Chairman*)
Tan Sri Dato' Lodin bin Wok Kamaruddin (*Managing Director*)
Maj. Gen. (R) Dato' Mohamed Isa bin Che Kak (*Independent Non-Executive Director*)
Raja Dato' Seri Aman bin Raja Haji Ahmad (*Independent Non-Executive Director*)
Datuk Azzat bin Kamaludin (*Non-Independent Non-Executive Director*)
Dato' Mustafa bin Mohamad Ali (*Independent Non-Executive Director*)

To: The Shareholders of AFFIN

Dear Sir / Madam

PROPOSED AMENDMENTS

1. INTRODUCTION

On 24 March 2008, the Board announced of its intention to seek shareholders' approval for the Proposed Amendments as set out in Appendix II of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION OF THE PROPOSED AMENDMENTS AND TO SEEK YOUR APPROVAL FOR THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED AMENDMENTS TO BE TABLED AT THE FORTHCOMING AGM.

SHAREHOLDERS ARE ADVISED TO READ THIS CIRCULAR BEFORE VOTING ON THE SPECIAL RESOLUTION IN RELATION TO THE PROPOSED AMENDMENTS TO BE TABLED AT THE FORTHCOMING AGM.

2. DETAILS AND RATIONALE OF THE PROPOSED AMENDMENTS

The details of the Proposed Amendments are set out in Appendix I of this Circular.

The Proposed Amendments is to comply with the amendments to the Listing Requirements and other relevant statutory and regulatory requirements, to update the Articles to ensure clarity and consistency throughout the Articles and to further enhance administrative efficiency.

3. EFFECTS OF THE PROPOSED AMENDMENTS

The Proposed Amendments will not have any effect on the issued and paid-up share capital, substantial shareholders' shareholding, earnings per share and net assets of AFFIN Group.

4. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors, and major shareholders and / or persons connected to them has any interest direct or indirect, in the Proposed Amendments.

5. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Amendments, is of the opinion that the Proposed Amendments is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the special resolution pertaining to the Proposed Amendments to be tabled at the forthcoming AGM.

6. AGM

The AGM of the Company, the notice of which is enclosed in the 2007 Annual Report, will be held at 13th Floor, Bangunan LTAT, Jalan Bukit Bintang, 55100 Kuala Lumpur on 16 April 2008 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed Amendments.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the Form of Proxy in accordance with the instructions therein as soon as possible and in any event so as to arrive at the Company's registered office not less than forty-eight (48) hours before the time fixed for the AGM. The lodging of the Form of Proxy does not preclude you from attending and voting in person should you subsequently wish to do so.

7. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix II for additional information.

Yours faithfully
For and on behalf of the Board
AFFIN HOLDINGS BERHAD

MAJ. GEN. (R) DATO' MOHAMED ISA BIN CHE KAK
Independent Non-Executive Director

PROPOSED AMENDMENTS

The Articles of the Company are proposed to be amended in the following manner:

Article no.	Articles	Amended Articles
2	“Approved Market Place” means a stock exchange which is specified to be an approved market place in the Securities Industry (Central Depositories) (Exemption)(No. 2) Order 1998 as may be amended, modified or altered from time to time	Deleted
12(1)	The total nominal value of issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time.	Deleted
12(4)	The holder of a preference share shall be entitled to a return of capital in preference to holders of ordinary shares when the company is wound up.	Deleted
46(1)	<p>Where:-</p> <p>(a) the Securities of the Company are listed on an Approved Market Place; and</p> <p>(b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998 as the case may be, under the Rules in respect of such Securities.</p> <p>the Company shall, upon the request of a Securities holder, permit a transmission of Securities held by such Securities holder from the register of holders maintained by the register of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as “the Foreign Register”), to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as “the Malaysia Register”) provided that there shall be no change in the ownership of such Securities.</p>	<p>(1) Where:-</p> <p>(a) the securities of a company are listed on another stock exchange; and</p> <p>(b) such company is exempted from compliance with section 14 of the Securities Industry (Central Depositories) Act 1991 or section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules of the Depository in respect of such securities.</p> <p>Such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the other stock exchange, to the register holders maintained by the registrar of the company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.</p>
46(2)	For the avoidance of doubt, if the Company fulfils the requirements of sub-Articles (1)(a) and (b) above, the Company shall not allow any transmission of Securities from the Malaysian Register into the Foreign Register.	Deleted

Article no.	Articles	Amended Articles
60	<p>Every notice convening meetings shall be given to all Members at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. At the same time as Members are notified, such notice shall be advertised in the daily press and shall be sent to each stock exchange upon which the Company is listed and to the Auditors. The Company shall request the Bursa Depository in accordance with the Rules to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.</p>	<p>Every notice convening meetings shall be given to all Members at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. At the same time as Members are notified, such notice shall be advertised in at least 1 nationally circulated Bahasa Malaysia or English daily newspaper and shall be sent to each stock exchange upon which the Company is listed and to the Auditors. The Company shall request the Bursa Depository in accordance with the Rules to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.</p>
60	<p>..... The company shall request the Depository in accordance with the Rules of the Depository, to issue a Record of Depositors to whom notices of general meetings shall be given by the Company.</p>	<p>The company shall also request the Depository in accordance with the Rules of the Depository, to issue a Record of Depositors, as at the latest date which is reasonably practicable which shall in any event be not less than 3 market days before the general meeting (hereinafter referred to as “the General Meeting Record of Depositors”).</p>
81	<p>Subject to any rights or restrictions attached to any shares, on a show of hands every Member who:-</p> <ol style="list-style-type: none"> (1) being an individual is present in person or by proxy or attorney; or (2) being a corporation, is present by a duly authorised representative or by proxy or attorney <p>shall have one (1) vote and on a poll every Member shall have one vote for every share of which he is the holder. On a poll votes may be given either personally or by proxy or by attorney or by a duly authorised representative of a corporate Member.</p>	<p>A member of the company shall be entitled to be present and vote at any general meeting in respect of any share or shares upon which all calls due to the company have been paid.</p> <ol style="list-style-type: none"> (a) Subject to any rights or restrictions attached to any shares, on a show of hands every Member who:- <ol style="list-style-type: none"> (1) being an individual is present in person or by proxy or attorney; or (2) being a corporation, is present by a duly authorised representative or by proxy or attorney <p>shall have one (1) vote and on a poll every Member shall have one vote for every share of which he is the holder. On a poll votes may be given either personally or by proxy or by attorney or by a duly authorised representative of a corporate Member.</p> (b) A proxy shall be entitled to vote on a show of hands on any question at any general meeting.
95	<p>All Directors of the Company shall be natural persons.</p>	<p>Deleted</p>

Article no.	Articles	Amended Articles
113	<p>The office of a Director shall be vacated if he:-</p> <p>(5) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;</p> <p>(6) becomes bankrupt or compounds with his creditors;</p>	<p>The office of a Director shall be vacated if he:-</p> <p>(5) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder during his term of office;</p> <p>(6) becomes bankrupt or compounds with his creditors during his term of office;</p>
189 [^]	-	<p>Where any amendment is made by the Exchange to the provisions of this Chapter, a company must make corresponding amendment(s) to its articles of association to reflect the said amendment unless its articles include the provision in Article 185 or its equivalent.</p>

Note:

[^] *New Article*

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ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board who collectively and individually, accept full responsibility for the accuracy of the information contained herein and confirm that after having taken due care and making all reasonable inquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, AFFIN and / or its subsidiary companies have not entered into any material contract outside the ordinary course of business, during the two (2) years immediately preceding the date of this Circular.

- (a) Business Transfer Agreement (“BTA”) dated 14 June 2006 between AFFIN Merchant Bank Berhad (now known as AFFIN Investment), AFFIN Discount (now known as AFFIN-ADB) and AFFIN for the acquisition of certain assets and liabilities of AFFIN Discount (now known as AFFIN-ADB) for a purchase consideration of RM50,692,697 based on the adjusted net tangible assets of AFFIN Discount (now known as AFFIN-ADB) as at the day immediately preceding the transfer date of 30 June 2006 and subject to adjustments therein. The purchase consideration was satisfied by the issuance of new AFFIN Investment shares, amounting to RM50.0 million and cash payment of RM692,697;
- (b) Guarantee Facility Agreement between AFFIN, ABB and DBS Bank Ltd, Labuan Branch, Notes Issuance Facility Agreement between AFFIN and ABB, Agency Agreement between AFFIN, ABB and Bumiputra-Commerce Trustees Berhad and Trust Deed between AFFIN and Bumiputra-Commerce Trustees Berhad, all dated 27 June 2006 for an issuance of up to a maximum aggregate nominal value of RM300,000,000 Bank Guaranteed Commercial Papers and / or Medium Term Notes (“MTN”) by AFFIN;
- (c) Sale and Purchase Agreement dated 30 June 2006 between AFFIN Merchant Bank Berhad (now known as AFFIN Investment) and AFFIN for the acquisition of the entire and paid-up share capital of AFFIN Fund for a cash consideration of RM13,740,826 based on the audited consolidated net tangible assets of AFFIN Fund as at 31 December 2005;
- (d) Information Technology Infrastructure Services Agreement between ABB and IBM Malaysia Sdn Bhd dated 6 November 2006 for RM425 million over a period of ten (10) years;
- (e) BTA dated 14 December 2006 between AFFIN Investment, AFFIN Securities and AFFIN to acquire certain assets and liabilities of AFFIN Securities for a cash consideration of RM103.53 million;

- (f) Supplemental Programme Agreement between AFFIN and Aseambankers Malaysia Berhad (“Aseambankers”), Supplemental Guarantee Facility Agreement between AFFIN, Aseambankers and Malayan Banking Berhad (“MBB”), Supplemental Debt Servicing Reserve Account (DSRA) Charge between AFFIN and Aseambankers and Supplemental Trust Deed between AFFIN, Aseambankers, MBB and Malayan Trustee Berhad, all dated 23 January 2007 to enforce the amendments made to certain clauses of the Principal Agreements signed on 7 January 2005 due to cancellation of the remaining unutilised balance of RM240 million of the MTN Programme;
- (g) Joint Venture Agreement dated 6 March 2007 between AFFIN Fund and AsiaEquity Partners Sdn Bhd for the purpose of collaborating and sharing each other’s expertise and network to establish and set-up a RM150 million commercial property fund in prime or central locations in Malaysia; and
- (h) Conditional Share Subscription Agreement dated 18 September 2007 entered into between AFFIN and The Bank of East Asia Limited (“BEA”) in relation to the proposed placement to BEA of new ordinary shares of RM1.00 each in AFFIN representing up to 15% of the issued and paid-up share capital in AFFIN for a cash consideration of RM2.58 per share.

3. MATERIAL LITIGATION

Apart from litigation, claims and arbitration arising from the ordinary course of business of its banking subsidiaries, AFFIN is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this Circular, and the Directors do not have any knowledge of any proceedings, pending or threatened against the AFFIN Group or of any facts which is likely to give rise to any proceedings which may materially and adversely affect the position or business of the AFFIN Group.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at 7th Floor, Chulan Tower, 3 Jalan Conlay, 50450 Kuala Lumpur during normal business hours from the date hereof up to the time fixed for the holding of the AGM:

- (i) the Memorandum and Articles of Association of AFFIN;
- (ii) the audited financial statements of the AFFIN Group for the last two (2) financial years ended 31 December 2006 and 2007; and
- (iii) the material contracts referred to in Section 2 above.

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