

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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AFFIN BANK BERHAD

Registration No. 197501003274 (25046-T)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED SHARE REWARD TO THE SHAREHOLDERS IN THE FORM OF BONUS ISSUE OF UP TO 133,360,363 NEW ORDINARY SHARES IN AFFIN BANK BERHAD (“ABB”) (“ABB SHARE(S)” OR “SHARE(S)”) ON THE BASIS OF 1 NEW ABB SHARE (“BONUS SHARE(S)”) FOR EVERY EXISTING 18 ABB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE”)

AND

EXTRACT OF THE NOTICE OF ANNUAL GENERAL MEETING IN RELATION TO THE PROPOSED BONUS ISSUE



AFFIN HWANG INVESTMENT BANK BERHAD

[Registration No.: 197301000792 (14389-U)]
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The resolution pertaining to the Proposed Bonus Issue is set out in the Notice of the 49th Annual General Meeting of ABB (“AGM”) which is included in the Annual Report of ABB for the financial year ended 31 December 2024 together with the Proxy Form. The AGM will be held at the Main Venue (as detailed below) and virtually by way of electronic means via the Tricor Investor & Issuing House Services Sdn Bhd’s TIIH Online website at <https://tiih.online>.

The appointment of proxy may be submitted in hard copy form or electronically via the TIIH Online website at <https://tiih.online>.

The hardcopy Proxy Form must be deposited at 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 or drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time set for holding the AGM or any adjournment thereof.

Alternatively, the Proxy Form may be deposited via TIIH Online website at <https://tiih.online> not less than 48 hours before the time set for holding the AGM or any adjournment thereof. Please refer to the Administrative Guide for the AGM for further information on electronic submission. The lodging of the Proxy Form will not preclude you from attending and voting at the AGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form	:	Monday, 14 April 2025 at 10.00 a.m.
Date and time of the AGM	:	Wednesday, 16 April 2025 at 10.00 a.m.
Main Venue	:	Taming Sari Grand Ballroom The Royale Chulan Kuala Lumpur 5 Jalan Conlay, 50450 Kuala Lumpur

This Circular is dated 17 March 2025

DEFINITIONS

Except where the context otherwise requires, the following terms and abbreviations shall apply throughout this Circular:

Act	:	Companies Act 2016
ABB or Company	:	Affin Bank Berhad [Registration No.: 197501003274 (25046-T)]
ABB Share(s) or Share(s)	:	Ordinary shares(s) in ABB
Affin Group or Group	:	ABB and its subsidiaries, collectively
Affin Hwang IB	:	Affin Hwang Investment Bank Berhad [Registration No.: 197301000792 (14389-U)]
AGM	:	49 th Annual General Meeting of ABB
Announcement	:	Announcement dated 25 February 2025 in relation to the Proposed Bonus Issue
BNM	:	Bank Negara Malaysia
Board	:	The Board of Directors of Affin Bank Berhad
Bonus Share(s)	:	Up to 133,360,363 new ABB Share(s) to be issued pursuant to the Proposed Bonus Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. [Registration No.: 198701006854 (165570-W)]
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)]
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd [Registration No. 198701006854 (165570-W)]
CSR	:	Corporate Social Responsibility
Circular	:	This circular to the shareholders of ABB dated 17 March 2025
CO ₂	:	Carbon dioxide
Director	:	A natural person who holds a directorship in any company within Affin Group
Entitled Shareholders	:	Shareholders of ABB whose names appear in the Record of Depositors of the Company on the Entitlement Date
Entitlement Date	:	A date to be determined and announced later by the Board, on which the names of the shareholders of ABB must appear in the Record of Depositors of the Company as at 5.00 p.m. in order to be entitled to participate in the Proposed Bonus Issue
EPS	:	Earnings per Share
ESG	:	Environmental, Social and Governance
FYE	:	Financial year ended/ending, as the case may be

DEFINITIONS (*Cont'd*)

KwH	:	Kilowatt per hour
LPD	:	28 February 2025, being the latest practicable date prior to the printing of this Circular
Main Market	:	Main Market of Bursa Securities
MMLR	:	Main Market Listing Requirements of Bursa Securities
NA	:	Net assets
Proposed Bonus Issue	:	Proposed bonus issue of up to 133,360,363 new ABB Shares on the basis of 1 Bonus Share for every existing 18 ABB Shares held by the Entitled Shareholders on the Entitlement Date
Record of Depositors	:	A record of securities holders established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991
RM and sen	:	Ringgit Malaysia and sen, respectively
TEBP	:	Theoretical ex-bonus price
VWAP	:	Volume-weighted average price

References to “we”, “us”, “our” and “ourselves” are to the Company, and where the context otherwise requires, our subsidiary companies. All references to “you” are to the shareholders of the Company.

Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. Any reference to persons shall include corporations, unless otherwise stated.

Any reference in this Circular to any statutes, rules, regulations or rules of the stock exchange is a reference to such statutes, rules, regulations or rules of the stock exchange currently in force and as may be amended from time to time and any re-enactment thereof.

Any reference to a time or date in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY SETS OUT THE SALIENT INFORMATION OF THE PROPOSED BONUS ISSUE. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE ENTIRE CONTENTS OF THIS CIRCULAR (INCLUDING THE APPENDIX) WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT OUR FORTHCOMING AGM.

Key Information	Summary	Reference to Circular								
Details of the Proposed Bonus Issue	The Proposed Bonus Issue will entail the issuance of up to 133,360,363 Bonus Shares on the basis of 1 Bonus Share for every 18 existing ABB Shares held by our Entitled Shareholders on the Entitlement Date.	Section 2								
Rationale and justifications for the Proposed Bonus Issue	<p>The Proposed Bonus Issue aims to reward our existing shareholders for their loyalty and continuous support to our Group by increasing their equity participation in our Company, thereby allowing them to benefit from the potential growth in our share price performance in the future.</p> <p>The Proposed Bonus Issue also reflects our Company's confidence in its future growth and demonstrates our Board's commitment to sharing our Company's growth with its shareholders.</p>	Section 3								
Effects of the Proposed Bonus Issue	<p>The effects of the Proposed Bonus Issue are as follows:</p> <table border="1"> <tbody> <tr> <td>Issued share capital</td> <td> <ul style="list-style-type: none"> ABB's issued share capital will not increase but the total number of issued ABB Shares will increase by up to 133,360,363 Shares pursuant to the Proposed Bonus Issue. </td> </tr> <tr> <td>Earnings and EPS</td> <td> <ul style="list-style-type: none"> No material effect on ABB Group's consolidated earnings for the FYE 31 December 2025. The EPS will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. </td> </tr> <tr> <td>NA and NA per Share</td> <td> <ul style="list-style-type: none"> The NA per Share will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. </td> </tr> <tr> <td>Substantial shareholders' shareholdings</td> <td> <ul style="list-style-type: none"> The Proposed Bonus Issue will not result in any change to the percentage equity interest of ABB's substantial shareholders as the Bonus Shares will be allotted on a pro-rata basis to all shareholders of the Company. The total number of ABB Shares owned will increase proportionately to their existing shareholdings in the Company as a result of the Proposed Bonus Issue. </td> </tr> </tbody> </table>	Issued share capital	<ul style="list-style-type: none"> ABB's issued share capital will not increase but the total number of issued ABB Shares will increase by up to 133,360,363 Shares pursuant to the Proposed Bonus Issue. 	Earnings and EPS	<ul style="list-style-type: none"> No material effect on ABB Group's consolidated earnings for the FYE 31 December 2025. The EPS will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. 	NA and NA per Share	<ul style="list-style-type: none"> The NA per Share will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. 	Substantial shareholders' shareholdings	<ul style="list-style-type: none"> The Proposed Bonus Issue will not result in any change to the percentage equity interest of ABB's substantial shareholders as the Bonus Shares will be allotted on a pro-rata basis to all shareholders of the Company. The total number of ABB Shares owned will increase proportionately to their existing shareholdings in the Company as a result of the Proposed Bonus Issue. 	Section 4
Issued share capital	<ul style="list-style-type: none"> ABB's issued share capital will not increase but the total number of issued ABB Shares will increase by up to 133,360,363 Shares pursuant to the Proposed Bonus Issue. 									
Earnings and EPS	<ul style="list-style-type: none"> No material effect on ABB Group's consolidated earnings for the FYE 31 December 2025. The EPS will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. 									
NA and NA per Share	<ul style="list-style-type: none"> The NA per Share will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue. 									
Substantial shareholders' shareholdings	<ul style="list-style-type: none"> The Proposed Bonus Issue will not result in any change to the percentage equity interest of ABB's substantial shareholders as the Bonus Shares will be allotted on a pro-rata basis to all shareholders of the Company. The total number of ABB Shares owned will increase proportionately to their existing shareholdings in the Company as a result of the Proposed Bonus Issue. 									

EXECUTIVE SUMMARY (Cont'd)

Key Information	Summary	Reference to Circular
Approvals required	<p>The Proposed Bonus Issue is subject to the approvals being obtained from the following:</p> <ul style="list-style-type: none">(i) BNM for the issuance of up to 133.4 million new ABB Shares pursuant to the Proposed Bonus Issue, which was obtained vide its letter dated 25 February 2025;(ii) Bursa Securities for the listing of and quotation for up to 133,360,363 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market, which was obtained vide its letter dated 11 March 2025;(iii) the shareholders of ABB at the forthcoming AGM; and(iv) any other relevant authorities, if required.	Section 6
Interests of Directors, major shareholders, chief executive and/or persons connected	<p>None of our Directors, major shareholders, chief executive and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue, save for their respective entitlements as our shareholders, to which all our other shareholders are similarly entitled.</p>	Section 8
Directors' statement and recommendation	<p>Our Board, after taking into consideration all aspects of the Proposed Bonus Issue, including but not limited to the rationale, justifications and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of our Company.</p> <p>Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Bonus Issue to be tabled at our forthcoming AGM.</p>	Section 9

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AFFIN BANK BERHAD
(Registration No. 197501003274 (25046-T))
(Incorporated in Malaysia)

Registered Office:

Level 19, Menara Affin
Lingkaran TRX
Tun Razak Exchange
55188 Kuala Lumpur

17 March 2025

Board of Directors

Dato' Agil Natt	Chairman/Independent Non-Executive Director
Dato' Abdul Aziz Bin Abu Bakar	Independent Non-Executive Director
Dato' Mohd Hata Bin Robani	Independent Non-Executive Director
Chan Tze Ching, Ignatius	Non-Independent Non-Executive Director
Dato' Rozalila Binti Abdul Rahman	Independent Non-Executive Director
Marzida Binti Mohd Noor	Independent Non-Executive Director
Gregory Jerome Gerald Fernandes	Independent Non-Executive Director
Chan Wai Yu	Independent Non-Executive Director
Mohammad Ashraf Bin Md Radzi	Non-Independent Non-Executive Director
Emeliana Dallan Rice-Oxley	Independent Non-Executive Director

To: The Shareholders of ABB

Dear Sir/Madam,

PROPOSED BONUS ISSUE

1. INTRODUCTION

On 25 February 2025, Affin Hwang IB had, on behalf of the Board, announced that the Company proposed to undertake the Proposed Bonus Issue.

On 6 March 2025, Affin Hwang IB had, on behalf of the Board, announced that the listing application in relation to the Proposed Bonus Issue has been submitted to Bursa Securities.

On 12 March 2025, Affin Hwang IB had, on behalf of the Board, announced that Bursa Securities, had vide its letter dated 11 March 2025, approved the listing of and quotation for up to 133,360,363 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market, subject to the conditions as set out in Section 6 of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDIX IS TO PROVIDE YOU WITH THE INFORMATION ON THE PROPOSED BONUS ISSUE, THE RECOMMENDATION OF OUR BOARD AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AS SPECIAL BUSINESS AT OUR FORTHCOMING AGM. THE EXTRACT OF THE NOTICE OF AGM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE TO BE TABLED AT OUR FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED BONUS ISSUE

2.1 Basis and number of Bonus Shares to be issued

The Proposed Bonus Issue will entail the issuance of up to 133,360,363 Bonus Shares on the basis of 1 Bonus Share for every 18 existing ABB Shares held by our Entitled Shareholders on the Entitlement Date.

The aforementioned basis of 1 Bonus Share for every 18 existing ABB Shares was arrived at after taking into consideration, amongst others, the potential adjustments to the share price of ABB Shares arising from the Proposed Bonus Issue.

As at the LPD, our issued share capital is RM5,488,543,516 comprising 2,400,486,539 ABB Shares. Upon completion of the Proposed Bonus Issue, our issued share capital will remain at RM5,488,543,516, while our total number of issued Shares will increase up to 2,533,846,902 ABB Shares.

Fractional entitlements arising from the Proposed Bonus Issue, if any, will be disregarded, and dealt with by our Board in such manner as our Board may in its absolute discretion deem fit and expedient, and in the best interest of our Company.

The Entitlement Date will be determined and announced at a later date upon receipt of all relevant approvals for the Proposed Bonus Issue. The Proposed Bonus Issue will not be implemented on a staggered basis.

2.2 No capitalisation of reserves

The Bonus Shares will be issued as fully paid, at no consideration and without capitalisation of our Company's reserves. Therefore, paragraph 6.30(2)(b) of the MMLR which requires our Company to ensure that we have sufficient reserves for the capitalisation of the Proposed Bonus Issue will not apply.

For the avoidance of doubt, the Proposed Bonus Issue will increase our number of Shares in issue but will not increase the value of our issued share capital.

2.3 Theoretical ex-bonus price of ABB Shares

There will be an adjustment to the market price of our Shares as quoted on the Main Market pursuant to the Proposed Bonus Issue. However, this will not have any impact on the total market value of the Shares held by our shareholders.

Pursuant to paragraph 6.30(1A) of the MMLR, a listed issuer must ensure that its share price adjusted for a bonus issue is not less than RM0.50 based on the daily VWAP during the 3-month period before the application date to Bursa Securities.

For illustrative purposes, based on the following prices of our Shares, the TEBP of our Shares is as follows:

	RM	TEBP * RM
Last traded price as at the LPD	2.85	2.70
5-day VWAP up to and including the LPD	2.83	2.68
3-month VWAP up to and including the LPD	2.85	2.70

Note:

* TEBP is calculated based on the following formula:

$$\text{TEBP of ABB Share} = \frac{\text{VWAP per ABB Share} \times 18 \text{ ABB Shares}}{18 \text{ ABB Shares} + 1 \text{ Bonus Share}}$$

Premised on the above, the Proposed Bonus Issue is in compliance with paragraph 6.30(1A) of the MMLR.

2.4 Ranking of the Bonus Shares

The Bonus Shares will, upon allotment and issuance, rank equally in all respects with our existing Shares.

2.5 Listing of and quotation for the Bonus Shares

Bursa Securities had vide its letter dated 11 March 2025, approved the listing of and quotation for up to 133,360,363 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market, subject to the conditions as set out in Section 6 of this Circular.

Upon obtaining all the necessary approvals as set out in Section 6 of this Circular, the Bonus Shares will be listed and quoted on the Main Market on the next market day after the Entitlement Date. The notices of allotment for the Bonus Shares will be issued and despatched to the Entitled Shareholders no later than 4 market days after the date of listing of and quotation for the Bonus Shares.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED BONUS ISSUE

Our Group have undergone various changes over the years as part of our transformation journey towards achieving our vision to be “*the most creative financial company in Malaysia*”. Over the past 3 years, our market capitalisation has grown from RM4.01 billion to RM6.84 billion (as at LPD) representing an increase of 70.57% (Source: Bloomberg). Further, as part of our Group’s Affin Accelerate 2028 plan (“**AX28**”), which outlines key performance targets until 2028 covering financial and sustainability metrics as set out in the ensuing table, we are committed to sustainable growth strategies to enhance our shareholders’ value.

Metrics	AX28 Targets
<u>Key Performance Metrics</u>	
Profit Before Tax	RM1.8 billion
Return on Equity	12%
Total Loans/ Financing	RM116 billion
Total Deposits	RM123 billion
Total Customer Base	3 million
<u>ESG Metrics</u>	
% of Environmental and Social Financing/Loans per total Financing/Loans per year	25%
Number of beneficiaries from CSR activities per annum	200,000
Reduction of Electricity Consumption (kWh)	~600,000
% of suppliers assessed with ESG criteria	100%
% Groupwide total paper reduction	100%
Reduction of CO ₂ emission (metric tonne)	468

Accordingly, the Proposed Bonus Issue aims to reward our existing shareholders for their loyalty and continuous support to our Group by increasing their equity participation in our Company, thereby allowing them to benefit from the potential growth in our share price performance in the future. The Proposed Bonus Issue also reflects our Company's confidence in its future growth and demonstrates our Board's commitment to sharing our Company's growth with its shareholders.

Apart from the above, our shareholders will be able to enjoy the potential benefits from the Proposed Bonus Issue as follows:

- (i) the additional Shares from the Proposed Bonus Issue will increase our number of Shares available for trading, which can enhance the marketability and trading liquidity of our Shares. This can also provide an opportunity for greater participation from a broader range of investors; and
- (ii) the Proposed Bonus Issue as a reward for shareholders will not impact our total equity as the Proposed Bonus Issue will be implemented without capitalisation of our Company's reserves.

After taking into consideration other available options and based on the rationale as set out above, our Board is of the view that the Proposed Bonus Issue is an appropriate avenue for our Company to reward our existing shareholders.

4. EFFECTS OF THE PROPOSED BONUS ISSUE

4.1 Issued share capital

For illustrative purposes, the pro forma effects of the Proposed Bonus Issue on our Company's issued share capital are as follows:

	No. of ABB Shares	RM
Issued share capital as at the LPD	2,400,486,539	5,488,543,516
Bonus Shares to be issued pursuant to the Proposed Bonus Issue	133,360,363	-
Enlarged issued share capital upon completion of the Proposed Bonus Issue	2,533,846,902	5,488,543,516

4.2 NA and NA per Share

For illustrative purposes only, the pro forma effects of the Proposed Bonus Issue on the NA and NA per Share of our Group based on our latest audited consolidated statement of financial position as at 31 December 2024 are as follows:

	(i) Audited consolidated as at 31 December 2024 RM'000	After (i) and the Proposed Bonus Issue RM'000
Share capital	5,488,544	5,488,544
Financial investments at fair value through other comprehensive income ("FVOCI") revaluation reserves	170,624	170,624
Regulatory reserves	473,143	473,143
Other reserves	3,493	3,493
Retained profits	5,465,488	⁽ⁱ⁾ 5,465,288
Total equity / NA	11,601,292	11,601,092
No. of ABB Shares in issue ('000)	2,400,486	2,533,846
NA per ABB Share (RM)	4.83	4.58

Note:

(i) After deducting estimated expenses of approximately RM200,000 in relation to the Proposed Bonus Issue.

4.3 Earnings and EPS

The Proposed Bonus Issue will not have a material effect on our Group's consolidated earnings for the FYE 31 December 2025. However, the EPS will be diluted as a result of the increase in the total number of issued ABB Shares pursuant to the Proposed Bonus Issue.

4.4 Substantial shareholders' shareholdings

The Proposed Bonus Issue will not result in any change to the percentage equity interest of our substantial shareholders as the Bonus Shares will be allotted on a pro-rata basis to all our shareholders. Notwithstanding the above, their total number of ABB Shares owned will increase proportionately to their existing shareholdings in the Company as illustrated below:

Substantial shareholders	Shareholdings as at the LPD				After the Proposed Bonus Issue			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	(i) %	No. of Shares	(i) %	No. of Shares	(ii) %	No. of Shares	(ii) %
SG Assetfin Holdings Sdn Bhd	634,725,096	26.44	-	-	669,987,601	26.44	-	-
Lembaga Tabung Angkatan Tentera	528,290,622	22.01	-	-	557,640,101	22.01	-	-
The Bank of East Asia, Limited	574,480,647	23.93	-	-	606,396,238	23.93	-	-
Sumitomo Mitsui Banking Corporation	-	-	(iii) 574,480,647	23.93	-	-	(iii) 606,396,238	23.93
State Financial Secretary, Sarawak	115,537,476	4.81	(iv) 634,725,096	26.44	121,956,224	4.81	(iv) 669,987,601	26.44

Notes:

- (i) Computed based on 2,400,486,539 ABB Shares in issue as at the LPD.
- (ii) Computed based on 2,533,846,902 ABB Shares in issue after the Proposed Bonus Issue.
- (iii) Deemed interested by virtue of its interest in The Bank of East Asia, Limited pursuant to Section 8 of the Act.
- (iv) Deemed interested by virtue of its interest in SG Assetfin Holdings Sdn Bhd pursuant to Section 8 of the Act.

4.5 Convertible securities

As at the LPD, ABB does not have any convertible securities.

5. HISTORICAL SHARE PRICES

The monthly high and low prices of our Shares traded on the Main Market for the past 12 months preceding the date of this Circular are as follows:

	Low RM	High RM
2024		
March	2.43	2.67
April	2.41	2.58
May	2.38	2.57
June	2.40	2.50
July	2.48	3.15
August	2.91	3.43
September	2.78	3.28
October	2.79	3.03
November	2.83	3.01
December	2.84	2.95
2025		
January	2.80	2.98
February	2.69	2.90
Last transacted market price of ABB Shares as at 24 February 2025, being the last trading date prior to the announcement of the Proposed Bonus Issue		2.79
Last transacted market price of ABB Shares as at the LPD		2.85

6. APPROVALS REQUIRED

The Proposed Bonus Issue is subject to the approvals being obtained from the following:

- (i) BNM for the issuance of up to 133.4 million new ABB Shares pursuant to the Proposed Bonus Issue, which was obtained vide its letter dated 25 February 2025;
- (ii) Bursa Securities for the listing of and quotation for up to 133,360,363 Bonus Shares to be issued pursuant to the Proposed Bonus Issue on the Main Market, which was obtained on 11 March 2025, subject to the following conditions:

No.	Conditions	Status of compliance
1.	ABB and Affin Hwang IB must fully comply with the relevant provisions under the MMLR pertaining to the implementation of the Proposed Bonus Issue	To be met
2.	Affin Hwang IB to inform Bursa Securities upon the completion of the Proposed Bonus Issue	To be met
3.	ABB and Affin Hwang IB to furnish Bursa Securities with a written confirmation of their compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue is completed	To be met
4.	ABB and Affin Hwang IB are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a), 6.35(2)(b) and 6.35(4) of the MMLR	To be met
5.	ABB/Affin Hwang IB to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders at a general meeting for the Proposed Bonus Issue	To be met
6.	Payment of outstanding processing fee based on the market value of the Bonus Shares to be listed (based on the adjusted price), if applicable. In this respect, the Company is required to furnish Bursa Securities a cheque drawn to the order of Bursa Securities for the outstanding processing fee together with a copy of the details of the computation of the amount of fees payable	To be met
7.	To incorporate the comments made in the Circular provided in Bursa Securities' approval letter	Met

- (iii) the shareholders of ABB at the forthcoming AGM; and
- (iv) any other relevant authorities, if required.

7. CONDITIONALITY

The Proposed Bonus Issue is not conditional upon any other proposals undertaken or to be undertaken by our Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders, chief executive and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Bonus Issue, save for their respective entitlements as our shareholders, to which all our other shareholders are similarly entitled.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after taking into consideration all aspects of the Proposed Bonus Issue, including but not limited to the rationale, justifications and effects of the Proposed Bonus Issue, is of the opinion that the Proposed Bonus Issue is in the best interest of our Company.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Bonus Issue to be tabled at our forthcoming AGM.

10. ESTIMATED TIMEFRAME FOR COMPLETION

Subject to all the approvals being obtained and barring any unforeseen circumstances, the Proposed Bonus Issue is expected to be completed within the second quarter of 2025. The tentative timeline for the implementation of the Proposed Bonus Issue is as follows:

Tentative Timeline	Events
16 April 2025	AGM
Mid April 2025	Announcement of the Entitlement Date
Early May 2025	<ul style="list-style-type: none">• Entitlement Date• Listing of and quotation for the Bonus Shares on the Main Market• Completion of the Proposed Bonus Issue

11. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Bonus Issue, our Company does not have any other outstanding corporate exercise which has been announced but pending completion as at the LPD.

12. AGM

Our forthcoming AGM will be held at the Taming Sari Grand Ballroom, The Royale Chulan Kuala Lumpur, 5 Jalan Conlay, 50450 Kuala Lumpur (“**Main Venue**”) and virtually by way of electronic means via Tricor Investor & Issuing House Services Sdn Bhd’s TIIH Online website at <https://tiih.online> (“**Online Platform**”) on Wednesday, 16 April 2025 at 10.00 a.m., for the purpose of considering and, if thought fit, passing the resolution, with or without any modifications, to give effect to the Proposed Bonus Issue.

Shareholders shall have the option to attend the hybrid AGM either in person at the Main Venue or virtually using the Remote Participation and Voting (“**RPV**”) facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd’s TIIH Online website at <https://tiih.online>. To participate, members are required to register via Tricor’s TIIH Online. For more details, please refer to the Procedures for RPV in the Administrative Notes.

If you are unable to participate and vote at the AGM, you may appoint one or more proxies to participate and vote on your behalf. If you wish to do so, please complete, sign and return the Proxy Form included in the Annual Report as soon as possible so as to arrive at the office of Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01 Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time set for the holding the AGM or any adjournment thereof. Alternatively, the Proxy Form may be deposited via TIIH Online website at <https://tiih.online> not less than 48 hours before the time set for holding the AGM or any adjournment thereof. Please refer to the Administrative Guide for the AGM for further information on electronic submission.

The lodging of the Proxy Form will not preclude you from attending and voting at the AGM should you subsequently wish to do so.

13. FURTHER INFORMATION

You are advised to refer to the **Appendix I** set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
AFFIN BANK BERHAD

DATO’ AGIL NATT
Chairman/Independent Non-Executive Director

1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Board has seen and approved the contents of this Circular, and they collectively and individually accept full responsibility for the accuracy of the information given in this Circular. Our Board confirms that after making all reasonable enquires and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

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

Affin Hwang IB is a wholly-owned subsidiary of ABB. Further, certain employees of Affin Hwang IB could be entitled to receive the Bonus Shares pursuant to the Proposed Bonus Issue if the employees hold ABB Shares as at the Entitlement Date, to which all our other shareholders are similarly entitled. Notwithstanding the above, we are of the view that the appointment of Affin Hwang IB as the Principal Adviser to our Company in relation to the Proposed Bonus Issue will not give rise to any conflict of interest situation or any conflict of interest situation is likely to exist in view of the following:

- (i) Affin Hwang IB is a licensed investment bank and its appointment as the Principal Adviser for the Proposed Bonus Issue is in the ordinary course of its business (being the provision of corporate advisory services with respect to the regulatory requirements for the Proposed Bonus Issue). Affin Hwang IB does not have any interest in the Proposed Bonus Issue other than as the Principal Adviser based on the terms of engagement which are mutually agreed between both parties. Further, Affin Hwang IB does not receive or derive any financial interest or benefit, save for the professional fees received in relation to its appointment as the Principal Adviser for the Proposed Bonus Issue;
- (ii) The conduct of our Group's business is regulated by the Financial Services Act, 2013, and the Capital Markets and Services Act, 2007 as well as our Group's own internal controls and checks; and
- (iii) The Corporate Finance division of Affin Hwang IB is required under its investment banking licence to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and BNM governing its advisory operations. These guidelines require, among others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations.

3. MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the business or financial position of our Group.

APPENDIX I – FURTHER INFORMATION (Cont'd)

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

Save as disclosed below, as at 31 December 2024 (being the latest audited consolidated financial results available) our Board is not aware of any other material commitments or contingent liabilities incurred or known to be incurred by our Group, which upon becoming enforceable may have a material effect on the business or financial position of our Group.

	Principal amount as at 31 December 2024 RM'000
Contingent Liabilities	
Direct credit substitutes*	547,957
Transaction-related contingent items	1,166,378
Short-term self-liquidating trade-related contingencies	3,695,873
	5,410,208
Material Commitments	
Irrevocable commitments to extend credit	
- Maturity less than one year	10,816,768
- Maturity more than one year	2,640,368
Lending of the banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions)	3,739,622
Unutilised credit card lines	1,986,666
	19,183,424
Derivative Financial Instruments	
Foreign exchange related contracts#	
- Less than one year	39,087,200
- One year to less than five years	110,334
Interest / profit rate related contracts#	
- Less than one year	2,119,000
- One year to less than five years	18,313,866
- Five years and above	868,367
Equity related contracts	94,098
	60,592,865
Total Commitments and Contingencies	85,186,497

Notes:

* Included in direct credit substitutes above are financial guarantee contracts of RM548.0 million, of which fair value at the time of issuance is zero.

The fair value of these derivatives have been recognised as "derivative financial instruments" in the statement of financial position.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company at Level 19, Menara Affin, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our AGM:

- (i) Constitution of ABB;
- (ii) the audited consolidated financial statements of ABB for the past 2 FYEs 31 December 2023 and 2024; and
- (iii) the letter of consent referred to in Section 2 above.



AFFIN BANK BERHAD
(Registration No. 197501003274 (25046-T))
(Incorporated in Malaysia)

EXTRACT OF NOTICE OF 49TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 49th Annual General Meeting of Affin Bank Berhad will be held on **Wednesday, 16 April 2025 at 10.00 a.m.** at the Taming Sari Grand Ballroom, The Royale Chulan Kuala Lumpur, 5 Jalan Conlay, 50450 Kuala Lumpur and virtually by way of electronic means via the TIIH Online website at <https://tiih.online> to transact the following businesses:

ORDINARY RESOLUTION 9

- 8. PROPOSED SHARE REWARD TO THE SHAREHOLDERS IN THE FORM OF BONUS ISSUE OF UP TO 133,360,363 NEW ORDINARY SHARES IN AFFIN BANK BERHAD (“ABB” OR “THE COMPANY”) (“ABB SHARE(S)” OR “SHARES”) ON THE BASIS OF 1 NEW ABB SHARE (“BONUS SHARE(S)”) FOR EVERY 18 EXISTING ABB SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“PROPOSED BONUS ISSUE”)**

“**THAT** subject to the approvals being obtained from all the relevant regulatory authorities and parties (if required), authority be and is hereby given to the Board of Directors of the Company (“**Board**”) to issue and allot up to 133,360,363 Bonus Shares on the basis of 1 Bonus Share for every 18 existing ABB Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business at 5.00 p.m. on the entitlement date to be determined and announced later by the Board;

AND THAT the Bonus Shares in respect of the Proposed Bonus Issue shall be issued as fully paid, at nil consideration and without capitalisation of the Company’s reserves;

AND THAT the Bonus Shares will, upon allotment and issuance, rank equally in all respects with the then existing ABB Shares;

AND THAT the Board be and is hereby authorised to deal with fractional entitlements (if any), including disregarding any fractional entitlements, under the Proposed Bonus Issue, in such manner at its absolute discretion as the Board may deem fit and expedient, and in the best interests of the Company;

AND THAT the Board be and is hereby authorised to sign and execute all documents and to take all such necessary steps to give effect to the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as the Board may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”

By Order of the Board,

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

Kuala Lumpur
17 March 2025