

AFFIN BANK BERHAD (“AFFIN” OR THE “COMPANY”)

- **DISPOSAL OF 21.00% EQUITY INTEREST IN AXA AFFIN LIFE INSURANCE BERHAD (“AALI”) (“AALI DISPOSAL”);**
- **DISPOSAL OF APPROXIMATELY 2.95% EQUITY INTEREST IN AXA AFFIN GENERAL INSURANCE BERHAD (“AAGI”) (“AAGI DISPOSAL”); AND**
- **PROPOSED ACQUISITION BY AAGI OF CERTAIN ASSETS AND LIABILITIES OF MPI GENERALI INSURANS BERHAD (“MPIG”) VIA A BUSINESS TRANSFER TO AAGI (“PROPOSED MERGER”)**

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

1. INTRODUCTION

We refer to the announcements dated 22 June 2021, 30 June 2021, 9 May 2022, 18 May 2022, 19 May 2022, 22 August 2022 and 30 August 2022.

Following the completion of the AALI Disposal and AAGI Disposal, on behalf of the Board of Directors of Affin, Affin Hwang Investment Bank Berhad wishes to announce that Affin had on 9 December 2022 entered into a business transfer agreement (“**BTA**”) with Generali Asia N.V. (“**Generali Asia**”), MPIG and AAGI for the Proposed Merger. The Proposed Merger will result in a dilution of Affin’s shareholding in AAGI from 47.00% to 30.00% in the enlarged AAGI.

The Proposed Merger is undertaken as part of the Proposals. Please refer to the announcement dated 18 May 2022 for further details of the Proposed Merger.

2. SALIENT TERMS OF THE BTA

Please refer to **Appendix I** of this Announcement for the salient terms of the BTA.

3. APPROVALS REQUIRED

The Proposed Merger is not subject to the approval of the shareholders of Affin as the highest percentage ratio applicable to the Proposals pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is below 25%.

Bank Negara Malaysia had in its letter dated 18 August 2022 informed Affin and Generali Asia that it has granted its approval, with the Minister of Finance’s concurrence, for the Proposed Merger.

The Proposed Merger will be effected by way of a High Court vesting order and an application will be made by MPIG and AAGI to the High Court for the same in accordance with Section 102 of the Financial Services Act 2013 no later than 30 days from the date of the BTA.

4. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Merger is expected to be completed in the 1st quarter of 2023.

5. DOCUMENTS AVAILABLE FOR INSPECTION

The executed BTA will be made available for inspection at the Company’s registered office located at 17th Floor, Menara Affin, 80 Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Malaysia, during normal working hours from Mondays to Fridays (excluding public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 9 December 2022.

SALIENT TERMS OF THE BTA

1. Consideration

- (a) The consideration for the purchase of the Business shall be RM765,000,000, subject to adjustment.
- (b) The consideration shall be satisfied by the issuance of 67,460,317 ordinary shares of AAGI (representing approximately 36.17% of the enlarged issued and paid up share capital of AAGI after the issuance of such consideration shares by AAGI to Generali Asia (at the request of MPIG) on completion.

2. Application to the High Court

MPIG and AAGI shall no later than 30 days from the date of the BTA, make a joint application to the High Court for the court order pursuant to Section 102 of the Financial Services Act 2013 in order to give effect to the business transfer scheme.

In the event that:

- the business transfer scheme is rejected by the High Court;
- the court order is not obtained by the Cut-Off Date (as detailed in Section 3 below); or
- the application for the court order is withdrawn,

and the parties are unable to mutually agree on an acceptable course of action within 90 days from the date of the rejection of the application for the court order in the first instance, the expiry of the Cut-Off Date or the withdrawal of the application (as the case may be), either party shall be entitled to serve a written notice to the other parties to terminate the BTA.

3. Cut-Off Date

The Cut-Off Date means the date falling 6 months following the date of the BTA (or such later date agreed in writing by the parties).

4. Completion

Subject to the court order being obtained, the completion of the sale and purchase of the Business shall take place at 0001 hours on 28 February 2023 (or notwithstanding anything else to the contrary, such other date as may be ordered by the High Court) whereby the Business shall be transferred from MPIG to AAGI.

5. Governing law and dispute resolution

The BTA is governed by Malaysian law and arbitration in Singapore for any dispute resolution.