

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has conducted limited review on the contents of the Circular in respect of the proposed new shareholders' mandate and has not perused the contents of the Circular in respect of the proposed renewal of shareholders' mandate for the recurrent related party transactions of a revenue or trading nature as it falls under the category of exempt circulars pursuant to Practice Note 18 of Bursa Securities' Main Market Listing Requirements.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



**AFFIN BANK BERHAD**

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

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE  
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE  
AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The resolution pertaining to the above proposal is set out in the Notice of the Company's Forty-Seventh ("47<sup>th</sup>") Annual General Meeting ("AGM") which is included in the Annual Report of the Company for the financial year ended 31 December 2022 together with the Form of Proxy.

The Form of Proxy must be deposited at our share registrar's office, **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 at the Customer Service Centre at Unit G-3, Ground Floor, Vertical Pordium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

Alternatively, the Form of Proxy may be deposited via TIIH Online at <https://tiah.online> not less than forty-eight (48) hours before the time set for holding the AGM. Please refer to the Administrative Notes for the 47<sup>th</sup> AGM for further information on electronic submission. The lodging of the Form of Proxy will not preclude you from attending and voting remotely at the AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy	: 23 May 2022 at 10.00 a.m.
Date and time of the AGM	: 25 May 2022 at 10.00 a.m.
Broadcast Venue	: Level 26, Auditorium, Menara AFFIN, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur, Malaysia

**This Circular is dated 26 April 2023**

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## DEFINITIONS

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

“ABB” or the “Bank” or the “Company”	:	Affin Bank Berhad (Company No. 197501003274 (25046-T))
“ABB Group” or the “Group”	:	Collectively, ABB and its subsidiary companies as defined in Section 4 of the Act
“ABB Share(s)”	:	Ordinary share(s) in ABB
“Act”	:	Companies Act, 2016
“Affin Holdings”	:	Affin Holdings Berhad (Company No. 197501001421), a wholly-owned subsidiary of ABB
“AIBB”	:	Affin Islamic Bank Berhad (Company No. 200501027372), a wholly-owned subsidiary of ABB
“AHAM”	:	Affin Hwang Asset Management Berhad (Company No. 199701014290), a 63% owned subsidiary of AHIBB until 29 July 2022. AHAM and its subsidiaries ceased to be the subsidiaries of the Group as at LPD.
“AHIBB”	:	Affin Hwang Investment Bank Berhad (Company No. 197301000792), a wholly-owned subsidiary of ABB
“AMB”	:	Affin Moneybrokers Sdn Bhd (Company No. 198301011347) a wholly-owned subsidiary of ABB
“AGM”	:	Annual General Meeting
“AXA Affin Life”	:	AXA Affin Life Insurance Berhad (Company No. 200601003992), a 51% owned joint venture company of ABB until 30 August 2022 upon which the Bank has completed the sale of 21% of its shareholding in AXA Affin Life to Generali Asia N.V. On completion, the Bank holds 30% equity interest in AXA Affin Life and it is reclassified from investment in joint ventures to associate as at LPD. AXA Affin Life is now known as Generali Life Insurance Malaysia Berhad
“AXA Group”	:	AXA SA and its group of companies
“Board”	:	The Board of Directors of ABB
“Boustead”	:	Boustead Holdings Berhad (Company No. 196001000193), a major shareholder of ABB and a 74.15% owned subsidiary of LTAT as at LPD
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Company No. 200301033577 (635998-W))
“CMSA”	:	Capital Market and Services Act, 2007
“Director(s)”	:	Shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the Recurrent Related Party Transactions were agreed upon, a director of ABB (or any other company which its subsidiary) or a chief executive officer of ABB or its subsidiary

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**DEFINITIONS (continued)**

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“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities
“LPD”	:	31 March 2023, being the latest practicable date prior to the issuance of this Circular
“LTAT”	:	Lembaga Tabung Angkatan Tentera, a major shareholder of ABB
“Major Shareholder”	:	<p>A person who is or was within the preceding six (6) months of the date on which the terms of the Recurrent Related Party Transactions were agreed upon, has an interest or interests in one (1) or more voting shares in the Company and the number, or the aggregate number of those shares, is</p> <p>(i) equal to or more than 10% of the total number of voting shares in the Company; or</p> <p>(ii) equal to or more than 5% of the total number of voting shares in the Company where such person is the largest shareholder of the Company</p> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act and for the purpose of the Proposed Shareholders Mandate, include a major shareholder of ABB or any corporation which is ABB’s subsidiary</p>
“Nikko Asset Management”	:	Nikko Asset Management International Limited, a major shareholder of AHAM until 18 April 2023, upon which it had disposed its entire 27% equity interest in AHAM, of which also transferred its remaining 20% equity interest to parent company Nikko Asset Management Co Ltd. AHAM and its subsidiaries ceased to be the subsidiaries of the Group as at LPD
“Proposed Shareholders’ Mandate”	:	Proposed renewal of shareholders’ mandate and proposed new shareholders’ mandate for the ABB Group to enter into Recurrent Related Party Transactions
“Related Party” or “Related Parties”	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder. For the purpose of the Proposed Shareholders’ Mandate, the Related Parties are set out in Section 2.2.1 of this circular
“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 ABB Group, to be entered into by ABB or its subsidiaries with the Related Party(ies) as specified in Section 2.2.2 of this circular
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Share(s)”	:	Ordinary share(s) in ABB
“2022 Annual Report”	:	Annual report of ABB issued for the financial year ended 31 December 2022

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.

Any reference in this Circular to any enactment, rules or legislation is a reference to that enactment, rules or legislation currently enforced and as may be amended from time to time and any re-enactment thereof.

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## CONTENTS

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	PAGE
<b>LETTER TO SHAREHOLDERS OF ABB IN RELATION TO THE PROPOSED SHAREHOLDERS' MANDATE</b>	
<b>1. INTRODUCTION</b>	<b>1</b>
<b>2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE</b>	<b>3</b>
<b>3. RATIONALE FOR THE PROPOSED SHAREHOLDERS' MANDATE</b>	<b>21</b>
<b>4. APPROVAL REQUIRED</b>	<b>21</b>
<b>5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM</b>	<b>22</b>
<b>6. DIRECTORS' RECOMMENDATION</b>	<b>23</b>
<b>7. AGM</b>	<b>23</b>
<b>8. FURTHER INFORMATION</b>	<b>23</b>
<b>APPENDIX I: FURTHER INFORMATION</b>	<b>24</b>
<b>EXTRACT OF NOTICE OF ANNUAL GENERAL MEETING</b>	<b>26</b>



**AFFIN BANK BERHAD**  
(Company No.: 197501003274) (25046-T)  
(Incorporated in Malaysia under the Companies Act, 2016)

**Registered Office:**

Level 19  
Menara AFFIN  
Lingkaran TRX  
Tun Razak Exchange  
55188 Kuala Lumpur  
Malaysia

26 April 2023

**Board of Directors of ABB:-**

Dato' Agil Natt	<i>(Chairman, Independent Non-Executive Director)</i>
Dato' Mohd Hata Robani	<i>(Independent Non-Executive Director)</i>
Dato' Abdul Aziz Abu Bakar	<i>(Independent Non-Executive Director)</i>
Chan Tze Ching Ignatius	<i>(Non-Independent Non-Executive Director)</i>
Dato' Rozalila Abdul Rahman	<i>(Independent Non-Executive Director)</i>
Yuen Wai Hung, Peter	<i>(Non-Independent Non-Executive Director)</i>
Marzida Mohd Noor	<i>(Independent Non-Executive Director)</i>
Gregory Jerome Gerald Fernandes	<i>(Independent Non-Executive Director)</i>
Chan Wai Yu	<i>(Independent Non-Executive Director)</i>
Mohammad Ashraf Md Radzi	<i>(Non-Independent Non-Executive Director)</i>

**To: The shareholders of ABB**

Dear Sir/Madam,

**PROPOSED SHAREHOLDERS' MANDATE**

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**1. INTRODUCTION**

At the 46<sup>th</sup> AGM held on 25 May 2022, the Company had 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.

In this regard, on 28 April 2023, the Board had announced to Bursa Securities that the Company proposes to seek approval from its shareholders for the renewal of shareholders' mandate and new shareholders' mandate for the Company and/or its subsidiaries to enter into the Recurrent Related Party Transactions with the classes of Related Parties at the forthcoming 47<sup>th</sup> AGM in accordance with Paragraph 10.09 of Chapter 10 of the Listing Requirements.

Pursuant to Paragraph 3.1.4 of Practice Note 12 of the Listing Requirements, the Proposed Shareholders' Mandate, if approved by the shareholders of ABB, will take effect from the date of the passing of the ordinary resolution proposed at the forthcoming 47<sup>th</sup> AGM and shall apply 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 is to be held, pursuant to Section 340(2) of the Act, (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of ABB in 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. AN EXTRACT OF THE NOTICE OF THE AGM IS ENCLOSED IN THIS CIRCULAR FOR YOUR EASE OF REFERENCE.**

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

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## 2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

### 2.1 Particulars

ABB is principally engaged in all aspects of banking and related financial services while the activities of its subsidiary companies as at LPD are as follows:

Name of Company	Effective equity interest held (%)	Principal Activities
AIBB	100.00	Islamic banking business
AHIBB	100.00	Provision of investment banking services
AMB	100.00	Money-broking
Affin Holdings	100.00	Member's voluntary winding-up
PAB Properties Sdn Bhd	100.00	Property management services
ABB Nominee (Tempatan) Sdn Bhd	100.00	Share nominee services
ABB Nominee (Asing) Sdn Bhd	100.00	Dormant
<i><u>Subsidiary companies of AHIBB</u></i>		
Affin Hwang Trustee Berhad ^	100.00	Trustee services
Affin Hwang Nominees (Asing) Sdn Bhd	100.00	Nominee services
Affin Hwang Nominees (Tempatan) Sdn Bhd	100.00	Nominee services
AHC Global Sdn Bhd	100.00	Investment holdings
AHC Associates Sdn Bhd	100.00	Investment holdings

*Note:*

^ Shares held equally of 20% each by AHIBB and its subsidiaries, namely, Affin Hwang Nominees (Asing) Sdn Bhd, Affin Hwang Nominees (Tempatan) Sdn Bhd, AHC Global Sdn Bhd and AHC Associates Sdn Bhd

It is envisaged that the companies within the Group would, in the ordinary course of business, enter into the Recurrent Related Party Transactions as detailed in section 2.2.2 of the Circular. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

## 2.2 Classes and Nature of the Recurrent Related Party Transactions

### 2.2.1 Classes of Related Parties

The Proposed Shareholders' Mandate involves the following classes of Related Parties:

Related Parties	Relationship
<b>1. Interested Directors</b>	
Mohammad Ashraf Md Radzi	A Director of ABB, nominated by LTAT
Muhammad Fitri Othman	A Director of AIBB, nominated by LTAT
YBhg. Admiral (R) Tan Sri Dato' Seri Panglima Dr Ahmad Kamarulzaman Bin Hj. Ahmad Badaruddin ("Tan Sri Dato' Seri Panglima Dr Ahmad Kamarulzaman")	Chairman of AMB, nominated by LTAT
YB Brig. Gen. (B) Dato' Pahlawan Ahmad Lathfi Bin Haji Kamarul Bahrim ("Dato' Pahlawan Ahmad Lathfi")	A Director of AMB, nominated by LTAT
Seet Oon Hui Eleanor	A Director of AHAM, nominated by Nikko Asset Management
<b>2. Interested Major Shareholders</b>	
LTAT	A major shareholder of ABB with 33.21% direct interest and 20.93% indirect interest; and a major shareholder of Boustead with 74.15% direct interest as at LPD
Boustead	A major shareholder of ABB with a 20.93% direct interest and a 74.00% owned subsidiary of LTAT as at LPD
AXA Asia	A major shareholder of AXA Affin Life with 49% indirect interest until 30 August 2022
Nikko Asset Management	A major shareholder of AHAM with a 27% equity interest until 18 April 2023
<b>3. Persons Connected to Interested Directors and Interested Major Shareholders</b>	
Boustead Curve Sdn Bhd ("Boustead Curve")	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead
Boustead Hotels & Resorts Sdn Bhd ("Boustead Hotels & Resorts")	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead
Boustead Petroleum Marketing Sdn Bhd ("Boustead Petroleum")	A 41.87% effectively owned subsidiary of Boustead and a 89.1% effectively owned subsidiary of LTAT
Boustead Properties	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead
Boustead Travel	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead



**Related Parties****Relationship****3. Persons Connected to Interested Directors and Interested Major Shareholders***(continued)*

Boustead Weld Quay Sdn Bhd	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead
Irat Hotels & Resorts Sdn Bhd ("Irat")	A 70% owned subsidiary of Irat Properties Sdn Bhd which in turn is a 91% effectively owned subsidiary of LTAT
Perbadanan Perwira Niaga Malaysia ("Perwira Niaga")	A wholly-owned corporation of LTAT
Boustead Ikano Sdn Bhd	A 50% owned joint venture company of Mutiara Rini Sdn Bhd which in turn a wholly owned subsidiary of Boustead Properties
Boustead Realty Sdn Bhd ("Boustead Realty")	A wholly-owned subsidiary of Boustead Properties which in turn is a wholly-owned subsidiary of Boustead

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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:

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
ABB	Perwira Niaga	Rental payment by ABB to Perwira Niaga for office premises, service charge and space for Automated Teller Machine (ATM) payable monthly for a lease term renewable for period ranging from two (2) to three (3) years at various locations	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholder</u> LTAT  <u>Interested Person Connected to the Major Shareholder</u> Boustead	300	250	156
	Boustead Travel	Provision of travelling related services to ABB by Boustead Travel	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	2,000	1,000	1,677 [see note (iii) & (vii)]
	Boustead Properties	Rental payment by ABB to Boustead Properties for office premises and car park payable monthly for a lease term renewable every three (3) years ("Menara Affin")	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	900	2,100	10,239 [see note (iv) & (vii)]

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
ABB (continued)	LTAT	Rental payment by ABB to LTAT for office premises and car park payable monthly for a lease term renewable every three (3) years ("Bangunan LTAT")	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholder</u> LTAT  <u>Interested Person Connected to the Major Shareholder</u> Boustead	-	60	212 [see note (v) & (vii)]
	Boustead Curve	Rental payment by ABB to Boustead Curve for office premises, car parking and utilities charges payable monthly for a lease term renewable every three (3) years and payment for other related services ("The Curve")	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	400	400	183
	Boustead Hotels & Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to ABB for staff in-house training and other expenses	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	1,000	1,000	161
	Boustead Hotels & Resorts	Rental payment by ABB to Boustead Hotels & Resorts for space of ATM machine payable monthly at The Royale Chulan Kuala Lumpur Hotel	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	30	30	10

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
ABB (continued)	Boustead Petroleum	LED advertising charges and related expenses payable by ABB to Boustead Petroleum	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	-	100	-
	Boustead Petroleum	Rental payment by ABB to Boustead Petroleum for space of ATM machine payable monthly at various BHP petrol stations	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	300	300	166
	Boustead Ikano Sdn Bhd	Rental payment by ABB to Boustead Ikano Sdn Bhd for branch premises payable monthly for a lease term renewable every three (3) years (MyTown branch)	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	450	400	179
	Boustead Weld Quay Sdn Bhd	Hotel facilities and refreshment provided by Boustead Weld Quay Sdn Bhd to ABB for staff in-house training and other expenses at Royale Chulan Penang Hotel	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	50	10	12 [see note (vi) & (vii)]
AIBB	Boustead Travel	Provision of travelling related services to AIBB by Boustead Travel	<u>Interested Director</u> Muhammad Fitri bin Othman  <u>Interested Major Shareholders</u> LTAT and Boustead	200	100	22

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AIBB (continued)	Boustead Hotels & Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AIBB for staff in-house training and other expenses	<u>Interested Director</u> Muhammad Fitri bin Othman  <u>Interested Major Shareholders</u> LTAT and Boustead	50	10	-
AHIBB	Boustead Realty	Rental payment by AHIBB to Boustead Realty for office premises, car parking and utilities charges payable monthly for a lease term renewable every three (3) years and payment for other related services (Menara Boustead)	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	620	2,500	2,056
	Boustead Travel	Provision of travelling related services to AHIBB by Boustead Travel	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	1,500	1,500	125
	Irat	Rental payment by AHIBB to Irat for office premises, car parking and utilities charges payable monthly for a renewable lease term every three (3) years and payment for other related services ("Chulan Tower")	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	2,300	2,300	1,872

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AHIBB (continued)	Boustead Hotels & Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AHIBB for staff in-house training and other expenses	<u>Interested Director</u> Nil <u>Interested Major Shareholders</u> LTAT and Boustead	450	450	78
	Boustead Weld Quay Sdn Bhd	Hotel facilities and refreshment provided by Boustead Weld Quay Sdn Bhd to AHIBB for staff in-house training and other expenses at Royale Chulan Penang Hotel	<u>Interested Director</u> Nil <u>Interested Major Shareholders</u> LTAT and Boustead	180	180	17
AMB	Boustead Realty	Rental payment by AMB to Boustead Realty for office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services ("Menara Boustead")	<u>Interested Directors</u> Tan Sri Dato' Seri Panglima Dr Ahmad Kamarulzaman Dato' Pahlawan Ahmad Lathfi <u>Interested Major Shareholders</u> LTAT and Boustead	700	700	315
	Boustead Travel	Provision of travelling related services to AMB by Boustead Travel	<u>Interested Directors</u> Tan Sri Dato' Seri Panglima Dr Ahmad Kamarulzaman Dato' Pahlawan Ahmad Lathfi <u>Interested Major Shareholders</u> LTAT and Boustead	200	200	10

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AHAM (a)	LTAT	Management fees payable by LTAT to AHAM	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> LTAT	-	500	25
	Boustead Travel	Provision of travelling related services to AHAM by Boustead Travel	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	500	37
	Boustead Hotels and Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AHAM for staff in-house training and other expenses	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	200	-
	Boustead Realty	Rental payment by AHAM to Boustead Realty for office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services ("Menara Boustead")	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	5,200	500

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AHAM (a) (continued)	Nikko Asset Management	Management and advisory fees payable by AHAM to Nikko Asset Management	<u>Interested Director</u> Seet Oon Hui Eleanor  <u>Interested Major Shareholder</u> Nikko Asset Management	-	5,200	384
	Nikko Asset Management	Commission and other fees payable by Nikko Asset Management to AHAM	<u>Interested Director</u> Seet Oon Hui Eleanor  <u>Interested Major Shareholder</u> Nikko Asset Management	-	3,500	345
AIIMAN Asset Management (b)	Boustead Travel	Provision of travelling related services to AIIMAN Asset Management by Boustead Travel	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	20	-
	Nikko Asset Management	Advisory fees payable by AIIMAN Asset Management to Nikko Asset Management	<u>Interested Director</u> Seet Oon Hui Eleanor  <u>Interested Major Shareholder</u> Nikko Asset Management	-	240	33



ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AIIMAN Asset Management (b) (continued)	Nikko Asset Management	Provision of management fees services by AIIMAN Asset Management to Nikko Asset Management	<u>Interested Director</u> Seet Oon Hui Eleanor  <u>Interested Major Shareholder</u> Nikko Asset Management	-	200	28
AXA Affin Life (c)	Irat	Rental payment by AXA Affin Life to Irat payable monthly for office premises, car park and utilities charges for lease term renewable every year and payment for other related services ("Chulan Tower")	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	2,000	392
	AXA Asia	Provision of information technology and other support services by AXA Asia to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	700	9
	AXA Group Operations Hong Kong Limited	Provision of information technology and other support services by AXA Group Operations Hong Kong Limited to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	13,000	5,260

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AXA Affin Life <sup>(c)</sup> (continued)	AXA Group Operations Hong Kong Limited	Software development and license fees charged by AXA Group Operations Hong Kong Limited to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	4,000	261
	Boustead Travel	Provision of travelling related services to AXA Affin Life by Boustead Travel	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	500	-
	Boustead Hotels & Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AXA Affin Life for staff in-house training and other expenses	<u>Interested Director</u> Nil  <u>Interested Major Shareholders</u> LTAT and Boustead	-	200	3
	AXA Group Operations SAS	Provision of information technology services and license subscription by AXA Group Operations SAS to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	1,000	314

ABB Group	Related Party	Nature of Transaction	Interested Directors/Major Shareholders/person(s) connected to interested Directors or interested Major Shareholders (i)	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date (ii) (RM'000)	Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AXA Affin Life (c) (continued)	AXA Group Operations Malaysia Sdn Bhd	Provision of actuarial services by AXA Group Operations Malaysia Sdn Bhd to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	1,500	328
	AXA Group Operations Spain, S.A.	Provision of information technology and other support services to AXA Affin Life	<u>Interested Director</u> Nil  <u>Interested Major Shareholder</u> AXA Asia	-	200	-
<b>Sub-total</b>				<b>11,630</b>	<b>52,250</b>	<b>25,409</b>

- (a) Value of transactions calculated from June 2022 to 29 July 2022 as the Bank completed the divestment of AHAM. AHAM and its subsidiaries ceased to be the subsidiaries of the Group as at 29 July 2022. Details as disclosed in Material Contracts 2(a) on page 22 of this Circular.
- (b) Value of transactions calculated from June 2022 to 29 July 2022 following note in (a) above. AIIIMAN Asset Management is a subsidiary of AHAM.
- (c) Value of transactions calculated from June 2022 to 30 August 2022 as the Bank completed the sale of 21% of its shareholding in AXA Affin Life to Generali Asia N.V. upon receiving relevant regulatory approvals. On completion, the Bank holds 30% equity interest in AXA Affin Life and it is reclassified from investment in joint ventures to associate with effect from 30 August 2022. Concurrent with the said divestment, AXA Asia also disposed its entire 49% equity interest in AXA Affin Life and ceased to be a shareholder of AXA Affin Life with effect from 30 August 2022. Details as disclosed in Material Contracts 2(b) on pages 22 to 23 of this Circular.

ABB Group	Related Party	Nature of transaction	Interested Directors/Major Shareholders/ person(s) connected to interested Directors or interested Major Shareholders <sup>(i)</sup>	Estimated aggregate value of transaction from date of 47 <sup>th</sup> AGM to the next AGM date <sup>(ii)</sup> (RM'000)
<b>FOR NEW SHAREHOLDERS' MANDATE</b>				
ABB	Boustead Realty	Rental payment by ABB to Boustead Realty for space of ATM machine payable monthly for a lease term renewable every three (3) years and payment for other related services (Menara Boustead)	<u>Interested Director</u> Mohammad Ashraf Md Radzi  <u>Interested Major Shareholders</u> LTAT and Boustead	20
<b>Sub-total</b>				20
<b>GRAND TOTAL</b>				<b>11,650</b>

Notes:

- (i) The nature of relationship with the Related Party is outlined in section 2.2.1 of this Circular.
- (ii) The estimated aggregate 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 estimated value stated which is subject to change.
- (iii) The actual amount exceeded due to the increased frequency of offsite meetings and travelling for business purposes post Covid-19 transition to endemic which was not included in previous mandate.
- (iv) The actual amount is higher than the mandated figure as the initial target of relocation to Menara Affin, TRX was by June 2022. The relocation was only officially done and completed on 3 April 2023.
- (v) The actual amount was higher due the deferment of the relocation of ABB, LTAT Branch to Chulan Tower which was fully completed in January 2023.
- (vi) The actual amount exceeded due to the increased frequency of offsite meetings and travelling for business purposes post Covid-19 transition to endemic which was not included in previous mandate.
- (vii) In respect of the actual value which individually had exceeded the mandated amount by 10% or more, the Company had not made any announcement to Bursa as the aggregate actual value of the RRPTs over the mandated amount with the same related party i.e. LTAT Group had not exceeded by 10% or more.

### 2.2.3 Previous Mandate Obtained But Renewal Will Not Be Sought

Renewal will not be sought for Recurrent Related Party Transactions of a revenue or trading nature mandate with AHAM, AIIMAN & AXA Affin Life as the companies were no longer deemed as a related party to ABB Group as at LPD.

ABB Group	Related Party	Nature of Transaction	Existing Mandate	
			Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AHAM	LTAT	Management fees payable by LTAT to AHAM	500	25
	Boustead Travel	Provision of travelling related services to AHAM by Boustead Travel	500	37
	Boustead Hotels and Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AHAM for staff in-house training and other expenses	200	-
	Boustead Realty	Rental payment by AHAM to Boustead Realty for office premises and car park payable monthly for a lease term renewable every three (3) years and payment for other related services ("Menara Boustead")	5,200	500
	Nikko Asset Management	Management and advisory fees payable by AHAM to Nikko Asset Management	5,200	384
	Nikko Asset Management	Commission and other fees payable by Nikko Asset Management to AHAM	3,500	345
AIIMAN Asset Management	Boustead Travel	Provision of travelling related services to AIIMAN Asset Management by Boustead Travel	20	-
	Nikko Asset Management	Advisory fees payable by AIIMAN Asset Management to Nikko Asset Management	240	33
	Nikko Asset Management	Provision of management fees services by AIIMAN Asset Management to Nikko Asset Management	200	28
AXA Affin Life	Irat	Rental payment by AXA Affin Life to Irat payable monthly for office premises, car park and utilities charges for lease term renewable every year and payment for other related services ("Chulan Tower")	2,000	392

ABB Group	Related Party	Nature of Transaction	Existing Mandate	
			Estimated aggregate value of transaction disclosed in the preceding year's circular dated 26 April 2022 (RM'000)	Actual value transacted from the previous AGM up to LPD (RM'000)
AXA Affin Life <i>(continued)</i>	AXA Asia	Provision of information technology and other support services by AXA Asia to AXA Affin Life	700	9
	AXA Group Operations Hong Kong Limited	Provision of information technology and other support services by AXA Group Operations Hong Kong Limited to AXA Affin Life	13,000	5,260
	AXA Group Operations Hong Kong Limited	Software development and license fees charged by AXA Group Operations Hong Kong Limited to AXA Affin Life	4,000	261
	Boustead Travel	Provision of travelling related services to AXA Affin Life by Boustead Travel	500	-
	Boustead Hotels & Resorts	Hotel facilities and refreshment provided by Boustead Hotels & Resorts to AXA Affin Life for staff in-house training and other expenses	200	3
	AXA Group Operations SAS	Provision of information technology services and license subscription by AXA Group Operations SAS to AXA Affin Life	1,000	314
	AXA Group Operations Malaysia Sdn Bhd	Provision of actuarial services by AXA Group Operations Malaysia Sdn Bhd to AXA Affin Life	1,500	328
	AXA Group Operations Spain, S.A.	Provision of information technology and other support services to AXA Affin Life	200	-
<b>TOTAL</b>			<b>38,660</b>	<b>7,919</b>

### **2.3 The outstanding amount owing by Related Parties pursuant to Recurrent Related Party Transactions**

There were neither amounts owing by the Related Parties to ABB Group as at LPD which exceeded the credit terms nor any late payment charges imposed on them pursuant to the Recurrent Related Party Transactions.

### **2.4 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.

### **2.5 Review procedures in relation to Recurrent Related Party Transactions**

The ABB 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 Related 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 ABB Group are as follows:

- (a) a list of the Related Parties is circulated within the ABB 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 ABB 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) at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities;

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Group Board Audit Committee in its review of the Recurrent Related Party Transactions may, as it deems fit and whenever available, request for additional information pertaining to the transactions from independent sources or advisers and that the Recurrent Related Party Transactions are not detrimental to the ABB Group;

- (d) 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;
- (e) the Board and the Group Board Audit Committee shall review the internal audit reports to ascertain that the procedures established to monitor Recurrent Related Party Transactions have been complied with;

- (f) if a member of the Board or of the Group Board Audit Committee has an interest in any Recurrent Related Party Transactions, as the case may be, he/she shall abstain from any deliberation and decision making by the Board or Group Board Audit Committee in respect of the said transactions;
- (g) There are no specific thresholds for approval of Recurrent Related Party Transactions within the ABB Group. However, all Recurrent Related Party Transactions are subject to the approval of the appropriate levels of authority as determined by senior management and/or the Board from time to time, subject to the provisions in the Listing Requirements and/or the Act, where necessary;
- (h) a register shall be maintained by the Company to record all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate; and
- (i) 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.

## **2.6 Group Board Audit Committee Statement**

The Group Board Audit Committee has seen and reviewed the procedures mentioned in Section 2.5 above and is satisfied that the review procedures for the Recurrent Related Party Transactions, as well as the annual review to be made by the Board Audit Committee in relation thereto, are sufficient to ensure that the Recurrent Related Party Transactions:

- (a) will be made at arm's length and in accordance with the Company's normal commercial terms; and
- (b) not more favourable to the Related Party than those generally available to the public and are not to the detriment of the minority shareholders and the Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner.

The Group Board 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 Group Board 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.



## **2.7 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 Paragraph 3.1.5 of Practice Note 12 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.

## **2.8 Effects of 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' shareholdings of the Company.

## **3. RATIONALE FOR THE PROPOSED SHAREHOLDERS' MANDATE**

The rationale for the Proposed Shareholders' Mandate is as follows:

- (a) the Proposed Shareholders' Mandate will empower the Company and/or its subsidiaries 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 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 ABB 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 direct and indirect shareholdings of the interested Directors and interested Major Shareholders in ABB and person connected to the Major Shareholders as per the Register of Directors' Shareholdings and Register of Substantial Shareholders and Record of Depositors as at LPD are as follows:-

	Direct		Indirect	
	No. of shares	%	No. of shares	%
<b><u>Interested Directors</u></b>				
Mohammad Ashraf Md Radzi	-	-	-	-
Muhammad Fitri Othman	-	-	-	-
Tan Sri Dato' Seri Panglima Dr Ahmad Kamarulzaman	-	-	-	-
Dato' Pahlawan Ahmad Lathfi	-	-	-	-
Seet Oon Hui Eleanor	-	-	-	-
<b><u>Interested Major Shareholders</u></b>				
LTAT	755,126,273	33.21	475,884,390 @	20.93
Boustead	475,884,390	20.93	-	-

**Notes:**

@ Deemed interested pursuant to Section 6(a) of the Act

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

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.

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 ABB and its shareholders.

Accordingly, the Board (save and except for the interested Directors of ABB, 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 will be broadcasted live from **Level 26, Auditorium, Menara AFFIN, Lingkaran TRX, Tun Razak Exchange, Jalan Tun Razak, 55188 Kuala Lumpur** on Thursday, 25 May 2023 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.

The 47<sup>th</sup> AGM will be conducted on a virtual basis through live streaming and online remote voting via Remote Participation and Voting 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 of the Administrative Notes.

No members/proxies from the public will be physically present at the Broadcast Venue on the day of 47<sup>th</sup> AGM.

The appointment of proxy may be submitted in hard copy form or electronically via TIIH Online website at <https://tiih.online>. The hard copy of Proxy Form must be deposited at the office of Tricor at **Unit 32-01 Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur**, or its Customer Service Centre at **Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi 59200 Kuala Lumpur**, not later than 23 May 2023 at 10.00 a.m. (48 hours before the commencement of 47<sup>th</sup> AGM). If members wish to submit their Proxy Form electronically, please refer to the Procedures for Electronic Lodgement of Proxy Form of the Administrative Notes.

## 8. FURTHER INFORMATION

Shareholders are requested to refer to **Appendix I** for further information.

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

**GREGORY JEROME GERALD FERNANDES**  
Independent Non-Executive Director

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## APPENDIX I: FURTHER INFORMATION

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### 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 enquiries, 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, ABB and/or its subsidiary companies have not entered into any material contracts outside the ordinary course of business, during the two (2) years immediately preceding the date of this Circular:

**(a) Divestment of 7,000,000 ordinary shares in Affin Hwang Asset Management Berhad (“AHAM”), representing 63% of the equity interest in AHAM, by AHIBB, (“the Divestment”).**

On 28 January 2022, AHIBB, certain key senior management of AHAM and Starlight Asset Sdn Bhd, an investment holding vehicle incorporated by funds advised by CVC Capital Partners, had entered into a conditional share sale and purchase agreement (“SPA”) for the divestment of 7,594,338 ordinary shares in AHAM, representing approximately 68.4% of the equity interest in AHAM, for a provisional cash consideration of RM1,537.9 million, subject to certain price adjustments as well as the terms and conditions as set out in the SPA.

The SPA became unconditional on 1 July 2022 and was completed on 29 July 2022. Following completion of the Divestment, AHAM ceased to be a subsidiary of AHIBB.

**(b) Disposals of 21% equity interest in AXA Affin Life and 2.95% equity interest in AXA Affin General Insurance Berhad (“AAGI”) and proposed merger of the businesses of MPI Generali Insurans Berhad and AAGI.**

On 22 June 2021, ABB had entered into an Implementation Agreement with Generali Asia N.V. (‘Generali’) in respect of the following proposals:

- (i) Disposal of 21% equity interest in AXA Affin Life (“AALI Disposal”); and
- (ii) Disposal of 2.95% equity interest in AXA Affin General Insurance Berhad (“AAGI”) (“AAGI Disposal”).

Simultaneously with the AALI Disposal and AAGI Disposal, AXA Asia is also selling its entire 49% shareholding in AXA Affin Life and 49.99% shareholding in AAGI.

The Minister of Finance had on 28 April 2022, approved the AALI Disposal and AAGI Disposal pursuant to Sections 89 and 90(6) of the Financial Services Act 2013 to Generali and the share sale agreement (“SSA”) was entered into on 18 May 2022.

The SSA became unconditional on 19 August 2022 and was completed on 30 August 2022. Following the completion of the SSA, the Bank holds 30% equity interest in AXA Affin Life and 47% equity interest in AAGI.

With the completion of the AALI Disposal and AAGI Disposal, the Bank had also on 30 August 2022 entered into the following agreements:

- (i) a shareholders' agreement with Generali and AAGI for the purpose of regulating the affairs of AAGI and the respective rights and obligations of the Bank and Generali, between themselves, as shareholders of AAGI;
- (ii) a shareholders' agreement with Generali and AXA Affin Life for the purpose of regulating the affairs of AXA Affin Life and the respective rights and obligations of the Bank and Generali, between themselves, as shareholders of AXA Affin Life;
- (iii) a 15-year bancassurance distribution agreement with AAGI for the distribution of the general insurance products through the Bank's channels in Malaysia; and
- (iv) a 15-year bancassurance distribution agreement with AXA Affin Life for the distribution of the life insurance products through the Bank's channels in Malaysia.

On 9 December 2022, ABB had entered into a business transfer agreement with Generali, MPI Generali Insurans Berhad ("MPIG") and AAGI where AAGI will acquire certain assets and liabilities of MPIG via a business transfer to AAGI ("Merger"). The Merger was completed on 1 April 2023 and subsequent to completion of the Merger, ABB holds 30% equity interest in AAGI.

### **3. MATERIAL LITIGATION**

ABB and/or any of its subsidiary companies is not involved in any material litigation, claim or arbitration outside the ordinary course of business either as plaintiff or defendant and the Directors of ABB do not have any knowledge of proceedings pending or threatened against ABB and/or its subsidiaries, of any fact likely to give rise to any proceedings, which might materially and adversely affect the financial position or business of ABB and/or its subsidiaries.

### **4. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of the Company at Level 19, Menara AFFIN, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur during normal business hours from the date hereof up to and including the date of the forthcoming AGM:

- (i) the Constitution of ABB;
- (ii) the audited consolidated financial statements of ABB for the last two (2) financial years ended 31 December 2021 and 2022; and
- (iii) the material contracts referred to in Section 2 above.

## EXTRACT OF NOTICE OF ANNUAL GENERAL MEETING

### **ORDINARY RESOLUTION**

#### **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

**"THAT** authority be and is hereby given in line with Chapter 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, for Affin Bank Berhad ("Company"), its subsidiaries or any of them to enter into any of the transactions falling within the types of the Recurrent Related Party Transactions, particulars of which are set out in the Circular to Shareholders dated 26 April 2023 with the Related Parties as described in the said Circular, provided that such transactions are of revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;

**AND THAT** such authority shall commence immediately upon the passing of this Ordinary Resolution until:-

- (i) the conclusion of the next 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 of the Company which is to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
- (iii) revoked or varied by resolution passed by the shareholders of ABB in a general meeting, whichever is earlier.

**AND FURTHER THAT** the Board of Directors be and is hereby authorised to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Shareholders' Mandate in the best interest of the Company."

#### **Note:**

**The above resolution is for information purposes only. Please refer to the Notice of the 47<sup>th</sup> AGM as set out in the 2022 Annual Report of the Company.**