

AMMB Holdings Berhad (223035-V)
(Incorporated in Malaysia)

MINUTES OF THE 25TH ANNUAL GENERAL MEETING ('AGM') OF AMMB HOLDINGS
BERHAD ('the Company') HELD AT GRAND BALLROOM, FIRST FLOOR, SIME DARBY
CONVENTION CENTRE, 1A JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR
ON THURSDAY, 18 AUGUST 2016 AT 10.00 A.M.

PRESENT : Tan Sri Azman Hashim
(*Non-Independent Non-Executive Chairman*)
Mr Graham Kennedy Hodges
(*Non-Independent Non-Executive Director*)
Ms Suzette Margaret Corr
(*Non-Independent Non-Executive Director*)
Mr Soo Kim Wai
(*Non-Independent Non-Executive Director*)
Tun Mohammed Hanif bin Omar
(*Non-Independent Non-Executive Director*)
Dato' Rohana Tan Sri Mahmood
(*Senior Independent Non-Executive Director*)
Dato' Seri Ahmad Johan bin Mohammad Raslan
(*Executive Director and Senior Adviser*)
Mr Voon Seng Chuan
(*Independent Non-Executive Director*)
Mr Wasim Akhtar Saifi
(*Independent Non-Executive Director*)
Datuk Shireen Ann Zaharah binti Muhiudeen
(*Independent Non-Executive Director*)
Mr Seow Yoo Lin
(*Independent Non-Executive Director*)
Members, proxies and corporate representative
as per the attendance list

IN ATTENDANCE : Ms Kold Phaik Gunn - *Group Company Secretary*

BY INVITATION : Dato' Sulaiman bin Mohd Tahir (Dato' Sulaiman) - *Group CEO*
Ms Pushpa Rajadurai - *Acting CEO, AmInvestment Bank Berhad ('AmIB')*
En Eghwan Mokhzanee bin Muhammad - *CEO, AmBank Islamic Berhad*
Mr Ramzi Albert Toubassy - *CEO, AmMetLife Insurance Berhad*
Ms Mandy Jean Simpson - *Chief Financial Officer*
Mr Nigel Christopher William Denby - *Chief Risk Officer*
Puan Uji Sherina binti Abdullah - *Chief Human Resource Officer*
Ms Faradina binti Mohammad Ghouse - *Chief Compliance Officer*
Mr Anthony Chin Min Khong - *Acting Head, Retail Banking*
Ms Goh Mei Lee - *Chief Group Strategic Transformation Officer*
Mr Charles Tan Keng Lock - *Chief Information Officer*
Mr Thein Kim Mon - *Chief Internal Auditor*
Datin Maznah Mahbob - *Executive Vice President, AmIB*
Mr Anil Singh Gill - *Senior Vice President, Head Finance Functions*
Mr Anthony Dass - *Head, AmBank Research*
Ms Wong Ching Yee - *Chief of Staff, Group CEO's Office*
Mr Chan Hooi Lam } *Representing the Auditors,*
Puan Wan Daneena Rahman } *Messrs Ernst & Young*
Ms Ng Sue Ean }

ITEM	MINUTES
25/1	<p data-bbox="381 450 576 479">ATTENDANCE</p> <p data-bbox="381 510 1362 577">In addition to the members of the Board of Directors ('the Board') present, the attendance at the meeting were as follow:-</p> <ul data-bbox="429 611 890 712" style="list-style-type: none"> • 1,406 members present in person • 528 proxy holders • 1 corporate representative
25/2	<p data-bbox="381 779 778 808">CHAIRMAN OF THE MEETING</p> <p data-bbox="381 869 1362 927">Tan Sri Azman Hashim, Chairman of the Board, took the Chair and called the 25th AGM to order at 10.00 a.m.</p>
25/3	<p data-bbox="381 994 507 1023">QUORUM</p> <p data-bbox="381 1055 1362 1137">As more than 5 shareholders and proxies were present at the meeting, the quorum requirement pursuant to Article 70 of the Company's Articles of Association had therefore been satisfied.</p>
25/4	<p data-bbox="381 1205 671 1234">NOTICE OF MEETING</p> <p data-bbox="381 1265 1362 1330">The notice convening the meeting was taken as read by the shareholders present.</p>
25/5	<p data-bbox="381 1397 1209 1426">PRESENTATION OF FINANCIAL PERFORMANCE & OUTLOOK</p> <p data-bbox="381 1451 1362 1518">The Chairman introduced Dato' Sulaiman, the new Group CEO of the Company, to the shareholders and proxies present.</p> <p data-bbox="381 1541 1362 1608">He then invited Dato' Sulaiman to give a brief presentation to the shareholders covering the following areas :-</p> <ul data-bbox="381 1630 1362 1886" style="list-style-type: none"> a) Recap of Financial Year ("FY") 2016 performance b) Market outlook for FY2017 c) Headwinds & opportunities in 2016/2017 d) Strategy developed collaboratively with leaders and people on-the-ground to ensure feasibility & buy-in e) "Top 4" Aspiration f) Strengthening fundamentals on Governance, Risk & Compliance g) Performance guidance for FY2017-FY2018

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	<p>Dato' Sulaiman informed that the Company had, in a written reply dated 17 August 2016, responded to the questions raised by the Minority Shareholder Watchdog Group ('MSWG') in respect of the 25th AGM. For the benefit of the shareholders, Dato' Sulaiman took the shareholders through the questions raised by MSWG and the Company's response as set out in Appendix 1 of the minutes.</p>
25/6	<p>AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS</p> <p>The Audited Financial Statements of the Company for the financial year ended 31 March 2016 ('FY2016') and the Reports of the Directors and Auditors were taken as received by the shareholders/proxies present and tabled at the 25th AGM.</p> <p>The Chairman invited questions from the floor on the Audited Financial Statements for FY2016.</p> <p>The shareholders and proxies deliberated at length on the item. A summary of the questions raised by the shareholders/proxies together with the corresponding responses was as set out in Appendix 2 of the minutes.</p> <p>The Chairman concluded the questions and answers session for item 1, and proceeded to the next item on the Agenda.</p>
25/7	<p>POLL VOTING</p> <p>The Chairman informed the shareholders that pursuant to paragraph 8.29A(1) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, a listed issuer must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved at any general meeting, would be voted by poll.</p> <p>In that regard, a poll was conducted for Ordinary Resolutions No. 1 to No. 18, after the tabling of such resolutions.</p>
25/8	<p>FINAL SINGLE TIER DIVIDEND OF 10.5% FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016</p> <p>The Chairman informed that the Dividend Reinvestment Plan ('DRP') would not be applicable for the final single tier dividend. The final dividend would be paid to shareholders on 9 September 2016 based on entitlement date for the dividend on 26 August 2016.</p> <p>Ordinary Resolution No. 1 on the payment of a final single tier dividend of 10.5% for the financial year ended 31 March 2016 was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah.</p>

ITEM	MINUTES
25/9	<p data-bbox="376 434 1362 461">DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016</p> <p data-bbox="376 501 1399 562">The Chairman informed that the Directors' fees for each director remained as per last financial year.</p> <p data-bbox="376 600 1399 696">Ordinary Resolution No. 2 on the payment of Directors' fees of RM1,829,699.00 for the financial year ended 31 March 2016 was proposed by Mr William Woon Peng Wah and seconded by Mr Tan Ken Tiong.</p>
25/10	<p data-bbox="376 757 1399 817">RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT TO ARTICLE 89 OF THE COMPANY'S ARTICLES OF ASSOCIATION</p> <p data-bbox="376 857 1399 987">The Chairman informed that two directors who retired by rotation in accordance with Article 89 of the Company's Articles of Association were eligible for re-election. The two directors who retired and offered themselves for re-election under Ordinary Resolution Nos. 3 and 4 respectively were as follows:-</p> <ul style="list-style-type: none"> <li data-bbox="427 1016 751 1043">i) Mr Soo Kim Wai; and <li data-bbox="427 1048 1106 1075">ii) Dato' Seri Ahmad Johan bin Mohammad Raslan <p data-bbox="376 1113 1399 1173">The profiles of the Directors standing for re-election were set out on pages 29 and 32 of the Annual Report 2016.</p> <p data-bbox="376 1211 1399 1308">The proposer and seconder in respect of the re-election of each Director under the following resolutions, to be voted on individually, in accordance with Section 126 of the Companies Act 1965 :-</p> <ul style="list-style-type: none"> <li data-bbox="427 1346 1399 1442">i) Ordinary Resolution No. 3 on the re-election of Mr Soo Kim Wai, was duly proposed by the Chairman and seconded by Ms Chong Siew Yoon; and <li data-bbox="427 1473 1399 1570">ii) Ordinary Resolution No. 4 on the re-election of Dato' Seri Ahmad Johan bin Mohammad Raslan, was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah.
25/11	<p data-bbox="376 1630 1399 1691">RE-ELECTION OF DIRECTORS RETIRING PURSUANT TO ARTICLE 97 OF THE COMPANY'S ARTICLES OF ASSOCIATION</p> <p data-bbox="376 1731 1399 1899">The Chairman informed that four directors who were appointed during the year and who retired in accordance with Article 97 of the Company's Article of Association, were eligible for re-election. The four directors who retired and offered themselves for re-election under Ordinary Resolution Nos. 5, 6, 7 and 8 respectively were as follows:-</p> <ul style="list-style-type: none"> <li data-bbox="427 1937 858 1964">i) Mr Graham Kennedy Hodges; <li data-bbox="427 1968 767 1995">ii) Mr Wasim Akhtar Saifi; <li data-bbox="427 2000 1106 2027">iii) Datuk Shireen Ann Zaharah binti Muhiudeen; and <li data-bbox="427 2031 703 2058">iv) Mr Seow Yoo Lin.

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The profiles of the Directors standing for re-election were set out on pages 27, 34, 35 and 36 of the Annual Report 2016.

The proposer and seconder in respect of the re-election of each Director under the following resolutions, to be voted on individually, in accordance with Section 126 of the Companies Act 1965:

- i) Ordinary Resolution No. 5 on the re-election of Mr Graham Kennedy Hodges was duly proposed by the Chairman and seconded by Mr Pang Ah Kow;
- ii) Ordinary Resolution No. 6 on the re-election of Mr Wasim Akhtar Saifi was duly proposed by the Chairman and seconded by Mr Wha Kien Loy;
- iii) Ordinary Resolution No. 7 on the re-election of Datuk Shireen Ann Zaharah binti Muhiudeen was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah; and
- iv) Ordinary Resolution No. 8 on the re-election of Mr Seow Yoo Lin was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah.

25/12

RE-APPOINTMENT OF DIRECTORS OVER 70 YEARS OF AGE PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT, 1965

The Chairman informed that Section 129 of the Companies Act, 1965 states that the office of a director of a public company shall become vacant at the conclusion of the annual general meeting commencing next after the director attains the age of 70 years.

a) Tan Sri Azman Hashim

As Tan Sri Azman Hashim ('Tan Sri Azman') was over the age of 70 years and as Ordinary Resolution No. 9 relates to his re-appointment as Director, he passed the Chair to Dato' Rohana binti Tan Sri Mahmood ('Dato' Rohana') to preside over the item on the Agenda.

Dato' Rohana took over the Chair and sought for proposer and seconder in respect of the re-appointment of Tan Sri Azman under Ordinary Resolution No. 9.

Ordinary Resolution No. 9 on the re-appointment of Tan Sri Azman, was duly proposed by Dato' Rohana and seconded by Puan Elani binti Mohd Noor.

Dato' Rohana handed over the Chair back to Tan Sri Azman.

Tan Sri Azman resumed the Chairmanship of the meeting.

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b) Tun Mohammed Hanif bin Omar

The Chairman informed that the next item on the Agenda was on the re-appointment of Tun Mohammed Hanif bin Omar who was also over the age of 70 years and would be retiring pursuant to Section 129(2) of the Companies Act, 1965.

The Chairman proposed Ordinary Resolution No. 10 on the re-appointment of Tun Mohammed Hanif Bin Omar, and it was seconded by Mr William Woon Peng Wah.

25/13	RE-APPOINTMENT OF AUDITORS
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The Chairman informed that the Auditors, Messrs Ernst & Young had given its consent for re-appointment as Auditors of the Company and that Bank Negara Malaysia had via its letter dated 13 July 2016 given its approval on the re-appointment.

Ordinary Resolution No. 11 on the re-appointment of Messrs Ernst & Young as Auditors of the Company, was duly proposed by the Chairman and seconded by Mr Tan Ken Tiong.

25/14	RENEWAL OF AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY PURSUANT TO THE COMPANY'S EXECUTIVES' SHARE SCHEME
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The Chairman informed that the authority conferred by such renewed mandate would enable the Company to issue new ordinary shares from time to time as may be required pursuant to the Executives' Share Scheme ('ESS') provided that the shares made available under the ESS would not exceed 10% in aggregate of the total issued and paid-up share capital of the Company at any point of time throughout the duration of the ESS (10 years).

The Directors have not authorised any allotment and issuance of shares from the inception of the ESS.

Ordinary Resolution No. 12 on the renewal of authority for the Directors of the Company to allot and issue new ordinary shares in the Company pursuant to the Company's ESS, was duly proposed by the Chairman and seconded by Mr Tan Ken Tiong.

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25/15	<p data-bbox="379 436 1404 539">ALLOCATION OF SHARES AND OPTIONS TO DATO' SULAIMAN MOHD TAHIR, THE GROUP CHIEF EXECUTIVE OFFICER OF THE COMPANY PURSUANT TO THE COMPANY'S EXECUTIVES' SHARE SCHEME</p> <p data-bbox="379 568 1404 707">The Chairman informed that a fresh mandate was sought from shareholders for authority to be given to the Directors to allocate shares and options to Dato' Sulaiman from time to time pursuant to the Company's ESS. Dato' Sulaiman was appointed as the new Group CEO of the Company on 23 November 2015.</p> <p data-bbox="379 739 1404 875">Ordinary Resolution No. 13 on the authority for the Directors of the Company to allocate shares and options to Dato' Sulaiman, the Group CEO of the Company pursuant to the Company's ESS, was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah.</p>
25/16	<p data-bbox="379 943 1404 1046">RENEWAL OF AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY FOR THE PURPOSE OF THE COMPANY'S DIVIDEND REINVESTMENT PLAN</p> <p data-bbox="379 1075 1404 1178">The Chairman informed that under the DRP, the Directors of the Company would be authorised to determine in their sole and absolute discretion, whether the DRP should apply to any dividend declared by the Company.</p> <p data-bbox="379 1209 1404 1279">The Directors did not allot, or issue ordinary shares pursuant to the authority given by the shareholders at the previous AGM.</p> <p data-bbox="379 1310 1404 1444">Ordinary Resolution No. 14 on the renewal of authority for the Directors of the Company to allot and issue new ordinary shares in the Company for the purpose of the Company's DRP, was duly proposed by the Chairman and seconded by Mr William Woon Peng Wah.</p>
25/17	<p data-bbox="379 1512 1404 1581">AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965</p> <p data-bbox="379 1612 1404 1751">The Chairman informed that the mandate would enable the Company to issue shares as and when the need or business opportunities arise, which the Directors consider would be in the interest of the Company and the shareholders.</p> <p data-bbox="379 1783 1198 1818">The Company did not issue shares under the previous mandate.</p> <p data-bbox="379 1850 1404 1982">Ordinary Resolution No. 15 on the authority for the Directors of the Company to allot and issue new ordinary shares pursuant to Section 132D of the Companies Act, 1965, was duly proposed by the Chairman and seconded by Mr Tan Ken Tiong.</p>

ITEM	MINUTES
25/18	<p data-bbox="373 439 1399 566">RENEWAL OF EXISTING SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED GROUP</p> <p data-bbox="373 607 1399 703">The Chairman informed that the next three resolutions were on renewal of existing and new shareholders mandates for recurrent related party transactions (RRPT) of revenue or trading nature.</p> <p data-bbox="373 743 1399 804">He then invited Dato' Sulaiman to give a short briefing on the RRPT, details of which were set out in the Circular to Shareholders dated 27 July 2016.</p> <p data-bbox="373 844 1399 972">Ordinary Resolution No. 16 on the renewal of existing shareholder mandate for RRPT of a revenue or trading nature with Australia and New Zealand Banking Group Limited ('ANZ') Group was duly proposed by the Chairman and seconded by Mr Tan Ken Tiong.</p> <p data-bbox="373 1012 485 1039"><u>NOTED:</u></p> <ol data-bbox="373 1070 1399 1435" style="list-style-type: none"><li data-bbox="373 1070 1399 1267">1. Mr Graham Kennedy Hodges ('Mr Hodges') and Ms Suzette Margaret Corr ('Ms Corr') were deemed interested in the RRPT with ANZ Group by virtue of their directorships in the Company and as persons connected to ANZ, a major shareholder of the Company that was deemed interested by virtue of its holding of 100% equity interest in ANZ Funds Pty Ltd ("ANZ Funds").<li data-bbox="373 1308 1399 1435">2. ANZ Funds and ANZ were deemed interested by virtue of their respective direct and/or indirect shareholdings in the Company and the persons connected with them, Mr Hodges and Ms Corr, abstained from voting on Ordinary Resolution No. 16. <p data-bbox="373 1476 1399 1570">As the Chairman was an interested party to the RRPT under Ordinary Resolutions No. 17 and 18, he passed the Chair to Dato' Rohana to preside over the subsequent two resolutions.</p>
25/19	<p data-bbox="373 1648 1399 1744">RENEWAL OF EXISTING SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH AMCORP GROUP BERHAD GROUP</p> <p data-bbox="373 1785 1399 1910">Dato' Rohana took over the Chair and informed that Ordinary Resolution No. 17 was on the renewal of existing shareholder mandate for RRPT of a revenue or trading nature with Amcorp Group Berhad Group. She then proposed Ordinary Resolution No. 17, which was seconded by Mr Wha Kien Loy.</p>

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NOTED:

1. Tan Sri Azman was deemed interested in the RRPT with Amcorp Group Berhad Group by virtue of his common directorships and substantial shareholdings in the Company and Amcorp Group Berhad ("Amcorp").
2. Mr Soo Kim Wai was deemed interested by virtue of his common directorships in the Company and Amcorp. He was also a person connected to Tan Sri Azman being a person who was accustomed to act in accordance with the directions and instructions of Tan Sri Azman.
3. Amcorp was deemed interested by virtue of its direct shareholdings in the Company.
4. Clear Goal Sdn Bhd was deemed interested by virtue of its direct and indirect shareholdings in Amcorp and the Company respectively.
5. The above persons and persons connected with them abstained from voting on Ordinary Resolution No. 17.

25/20

RENEWAL OF EXISTING SHAREHOLDER MANDATE AND NEW SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH MODULAR TECHCORP HOLDINGS BERHAD GROUP

Dato' Rohana informed that Ordinary Resolution No. 18 was on the renewal of existing shareholder mandate and new shareholder mandate for RRPT of a revenue or trading nature with Modular Techcorp Holdings Berhad Group. She then proposed Ordinary Resolution No. 18 and it was seconded by Mr Tan Ken Tiong.

NOTED:

1. Tan Sri Azman was deemed interested by virtue of Encik Ibrahim bin Hussain, who is his son-in-law, being a director and major shareholder of Modular Techcorp Holdings Berhad.
2. The above persons and persons connected with them abstained from voting on Ordinary Resolution No. 18.

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25/21	<p data-bbox="376 439 703 468">ANY OTHER BUSINESS</p> <p data-bbox="376 506 1401 573">The Chairman informed that no notice had been received by the Company to consider any other business at the meeting.</p> <p data-bbox="376 607 1401 674">The Chairman then proceeded to deal with the formalities of holding a poll for Ordinary Resolutions No. 1 to No. 18.</p>
25/22	<p data-bbox="376 745 655 775">CONDUCT OF POLL</p> <p data-bbox="376 813 1401 913">The Chairman informed the shareholders and proxies present that the poll would be conducted electronically. Polling stations have been set-up at Ballroom 1.</p> <p data-bbox="376 947 1401 1014">The Chairman then invited Ms Koid Phaik Gunn ('Ms Koid'), the Group Company Secretary, to brief the shareholders on the polling process.</p> <p data-bbox="376 1048 1401 1216">Ms Koid explained the procedures for the conduct of poll using Symphony e-voting system. Each of the shareholders / proxies / corporate representatives had been given bar coded wristbands during registration for the meeting. Each shareholder / proxy / corporate representative would be directed to the polling station to scan his/her bar coded wristband to the barcode reader.</p> <p data-bbox="376 1249 1401 1485">Ms Koid then proceeded to explain the e-voting process upon the scanning of the wristband. She announced that the representatives of Symphony Share Registrars Sdn Bhd, the Share Registrar of the Company, would be present at each polling station to assist each shareholder / proxy / corporate representative with the voting process. While Symphony Corporatehouse Sdn Bhd, the Scrutineers appointed for the meeting, would be present to monitor the e-polling process.</p> <p data-bbox="376 1518 1401 1686">The Chairman informed that he had been appointed to act as proxy for a number of shareholders and shall vote in accordance with the instructions given. The Chairman informed that the casting and verification of the votes would take about 30 minutes to complete and that he would declare the results of the poll once the results had been verified by the Scrutineers, and handed to him.</p> <p data-bbox="376 1720 1401 1789">The Chairman announced the commencement of the e-polling process at 12.50 p.m. and adjourned the meeting.</p>

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25/23 ANNOUNCEMENT OF POLL RESULTS

At 1.25 p.m., the Chairman called the meeting to order for the declaration of the poll results. He informed that he had received the poll results from the Scrutineers, Symphony Corporatehouse Sdn Bhd. The Chairman read out the poll results to the shareholders and proxies present as follows:-

23.1 Payment of a Final Single Tier Dividend of 10.5% for the Financial Year Ended 31 March 2016

The Chairman announced the poll result in respect of Ordinary Resolution No. 1 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 1	2,283,866,713	100	0	0

The Chairman declared that Ordinary Resolution No. 1 was duly passed as follows:-

"THAT the payment of a final single tier dividend of 10.5% in respect of the financial year ended 31 March 2016 be approved."

23.2 Payment of Directors' fees for the Financial Year Ended 31 March 2016

The Chairman announced the poll result in respect of Ordinary Resolution No. 2 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 2	2,212,633,913	99.98	441,600	0.02

The Chairman declared that Ordinary Resolution No. 2 was duly passed as follows:-

"THAT the payment of Directors' fees of RM1,829,699.00 for the financial year ended 31 March 2016 be approved."

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23.3 Re-election of Directors Retiring by Rotation pursuant to Article 89 of the Company's Articles of Association

23.3.1 The Chairman announced the poll result in respect of Ordinary Resolution No. 3 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 3	2,089,808,042	94.517	121,230,571	5.483

The Chairman declared that Ordinary Resolution No. 3 was duly passed as follows:-

"THAT Mr Soo Kim Wai, who retired by rotation pursuant to Article 89 of the Company's Articles of Association, be re-elected as Director of the Company."

23.3.2 The Chairman announced the poll result in respect of Ordinary Resolution No. 4 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 4	2,153,522,822	97.3987	57,515,791	2.6013

The Chairman declared that Ordinary Resolution No. 4 was duly passed as follows:-

"THAT Dato' Seri Ahmad Johan bin Mohammad Raslan, who retired by rotation pursuant to Article 89 of the Company's Articles of Association, be re-elected as Director of the Company."

23.4 Re-election of Directors retiring pursuant to Article 97 of the Company's Articles of Association

23.4.1 The Chairman announced the poll result in respect of Ordinary Resolution No. 5 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 5	2,144,215,722	96.9778	66,822,891	3.0222

The Chairman declared that Ordinary Resolution No. 5 was duly passed as follows:-

"THAT Mr Graham Kennedy Hodges, who retired by rotation pursuant to Article 97 of the Company's Articles of Association, be re-elected as Director of the Company."

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- 23.4.2 The Chairman announced the poll result in respect of Ordinary Resolution No. 6 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 6	2,209,445,413	99.9279	1,593,200	0.0721

The Chairman declared that Ordinary Resolution No. 6 was duly passed as follows:-

"THAT Mr Wasim Akhtar Saifi, who retired pursuant to Article 97 of the Company's Articles of Association, be re-elected as Director of the Company."

- 23.4.3 The Chairman announced the poll result in respect of Ordinary Resolution No. 7 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 7	2,209,904,113	99.9487	1,134,500	0.0513

The Chairman declared that Ordinary Resolution No. 7 was duly passed as follows:-

"THAT Datuk Shireen Ann Zaharah binti Muhiudeen, who retired pursuant to Article 97 of the Company's Articles of Association, be re-elected as Director of the Company."

- 23.4.4 The Chairman announced the poll result in respect of Ordinary Resolution No. 8 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 8	2,129,967,973	96.3334	81,070,640	3.6666

The Chairman declared that Ordinary Resolution No. 8 was duly passed as follows:-

"THAT Mr Seow Yoo Lin, who retired pursuant to Article 97 of the Company's Articles of Association, be re-elected as Director of the Company."

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23.5 Re-appointment of Directors over 70 Years of Age pursuant to Section 129(6) of the Companies Act, 1965

23.5.1 The Chairman announced the poll result in respect of Ordinary Resolution No. 9 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 9	2,141,845,940	96.885	68,862,533	3.115

The Chairman declared that Ordinary Resolution No. 9 was duly passed as follows:-

"THAT Tan Sri Azman Hashim, who retired pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting."

23.5.2 The Chairman announced the poll result in respect of Ordinary Resolution No. 10 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 10	1,686,439,485	96.0382	69,570,391	3.9618

The Chairman declared that Ordinary Resolution No. 10 was duly passed as follows:-

"THAT Tun Mohammed Hanif bin Omar, who retired pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company to hold office until the conclusion of the next Annual General Meeting."

23.6 Re-appointment of Auditors

The Chairman announced the poll result in respect of Ordinary Resolution No. 11 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 11	1,870,308,088	81.8954	413,467,395	18.1046

The Chairman declared that Ordinary Resolution No. 11 was duly passed as follows:-

"THAT Messrs Ernst & Young, be re-appointed as Auditors of the Company to hold office until the conclusion of the next annual general meeting and that their remuneration be determined by the Directors."

ITEM MINUTES

23.7 Renewal of Authority to Allot and Issue New Ordinary Shares in the Company pursuant to the Company's Executives' Share Scheme

The Chairman announced the poll result in respect of Ordinary Resolution No. 12 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 12	1,805,749,018	79.0655	478,116,195	20.9345

The Chairman declared that Ordinary Resolution No. 12 was duly passed as follows:-

"THAT pursuant to the Company's Executives' Share Scheme ("ESS") as approved at the Extraordinary General Meeting of the Company held on 26 September 2008, the Directors of the Company be and are hereby authorised to allot and issue such number of new ordinary shares in the Company from time to time as may be required for the purpose of the ESS, provided that the total number of new and existing ordinary shares in the Company to be allotted and issued and/or transferred, as the case may be, under the ESS, shall not exceed ten percent (10%) in aggregate of the total issued and paid-up ordinary share capital of the Company at any point of time throughout the duration of the ESS."

23.8 Allocation of Shares and Options to Dato' Sulaiman Mohd Tahir, the Group Chief Executive Officer of the Company pursuant to the Company's Executives' Share Scheme

The Chairman announced the poll result in respect of Ordinary Resolution No. 13 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 13	1,804,489,360	79.0103	479,376,853	20.9897

The Chairman declared that Ordinary Resolution No. 13 was duly passed as follows:-

"THAT subject to the passing of Ordinary Resolution No. 12, the Directors of the Company be and are hereby authorised to, from time to time and at any time procure the offering and the allocation to Dato' Sulaiman Mohd Tahir, the Group Chief Executive Officer of the Company, of such number of new or existing ordinary shares in the Company ("Shares") which will be vested in him at a specified future date as well as options which, upon exercise, will entitle him to obtain Shares at a specified future date and at a pre-determined price and to allot and issue and/or transfer such number of Shares to him from time to time, all in accordance with the By-Law as set out in Appendix I to the Circular to Shareholders dated 4 September 2008 and as amended on 28 June 2011."

ITEM MINUTES

23.9 Renewal of Authority to Allot and Issue New Ordinary Shares in the Company for the purpose of the Company's Dividend Reinvestment Plan

The Chairman announced the poll result in respect of Ordinary Resolution No. 14 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 14	2,278,031,913	99.7445	5,834,200	0.2555

The Chairman declared that Ordinary Resolution No. 14 was duly passed as follows:-

"THAT the Directors of the Company be and are hereby authorised to allot and issue such number of new ordinary shares in the Company from time to time as may be required for the purpose of the Company's Dividend Reinvestment Plan as approved at the Extraordinary General Meeting of the Company held on 2 September 2010, which gives the shareholders of the Company the option to elect to reinvest their cash dividend entitlements in new ordinary shares of the Company."

23.10 Authority to Allot and Issue New Ordinary Shares pursuant to Section 132D of the Companies Act, 1965

The Chairman announced the poll result in respect of Ordinary Resolution No. 15 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 15	2,206,823,083	99.7386	5,784,130	0.2614

The Chairman declared that Ordinary Resolution No. 15 was duly passed as follows:-

"THAT subject to the approvals from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Board of Directors pursuant to Section 132D of the Companies Act, 1965 to allot and issue new ordinary shares in the Company at any time upon such terms and conditions and for such purposes as the Directors, may, in their discretion, deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up share capital of the Company for the time being."

ITEM	MINUTES
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23.11 Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Australia and New Zealand Banking Group Limited Group

The Chairman announced the poll result in respect of Ordinary Resolution No. 16 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 16	1,558,654,230	99.4659	8,369,500	0.5341

The Chairman declared that Ordinary Resolution No. 16 was duly passed as follows:-

"THAT the shareholder mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Australia and New Zealand Banking Group Limited and any of its subsidiaries and/or associated companies ("ANZ Group") which are necessary for the day-to-day operations of the Company and/or its subsidiaries in the ordinary course of business on terms not more favourable to ANZ Group than those generally available to and/or from the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Part 2.2.1 of Section 2.2 of the Circular to Shareholders dated 27 July 2016 be hereby renewed and to continue in force until the conclusion of the next Annual General Meeting of the Company and that disclosure be made in the annual report of the Company of the aggregate value of such transactions conducted during the financial year pursuant to the shareholder mandate granted herein and THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries and to give effect to the transactions contemplated and/or authorised by this resolution."

23.12 Renewal of Existing Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Amcorp Group Berhad Group

The Chairman announced the poll result in respect of Ordinary Resolution No. 17 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution No. 17	1,884,428,210	99.5579	8,368,000	0.4421

The Chairman declared that Ordinary Resolution No. 17 was duly passed as follows:-

ITEM MINUTES

"THAT the shareholder mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Amcorp Group Berhad and any of its subsidiaries and/or associated companies ("Amcorp Group") which are necessary for the day-to-day operations of the Company and/or of its subsidiaries in the ordinary course of business on terms not more favourable to Amcorp Group than those generally available to and/or from the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Part 2.2.2 of Section 2.2 of the Circular to Shareholders dated 27 July 2016 be hereby renewed and to continue in force until the conclusion of the next Annual General Meeting of the Company and that disclosure be made in the annual report of the Company of the aggregate value of such transactions conducted during the financial year pursuant to the shareholder mandate granted herein and THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries and to give effect to the transactions contemplated and/or authorised by this resolution."

23.13 **Renewal of Existing Shareholder Mandate and New Shareholder Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Modular Techcorp Holdings Berhad Group**

The Chairman announced the poll result in respect of Ordinary Resolution No. 18 which was carried as follows:-

Resolution	FOR		AGAINST	
	No. of shares	%	No. of shares	%
Ordinary Resolution 18	1,884,428,210	99.5579	8,368,000	0.4421

The Chairman declared that Ordinary Resolution No. 18 was duly passed as follows:-

"THAT the shareholder mandates for the Company and/or its subsidiaries to enter into existing and new recurrent related party transactions of a revenue or trading nature with Modular Techcorp Holdings Berhad and any of its subsidiaries and/or associated companies ("Modular Group") which are necessary for the day-to-day operations of the Company and/or its subsidiaries in the ordinary course of business on terms not more favourable to Modular Group than those generally available to and/or from the public and which are not detrimental to the minority shareholders of the Company, particulars of which are set out in Part 2.2.3 and Part 2.2.4 of Section 2.2 of the Circular to Shareholders dated 27 July 2016 be hereby renewed and approved and to continue in force until the conclusion of the next Annual General Meeting of the Company and that disclosure be made in the annual report of the Company of the aggregate value of such transactions conducted during the financial year pursuant to the shareholder mandate granted herein and THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries and to give effect to the transactions contemplated and/or authorised by this resolution."

ITEM	MINUTES
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25/24	CLOSURE
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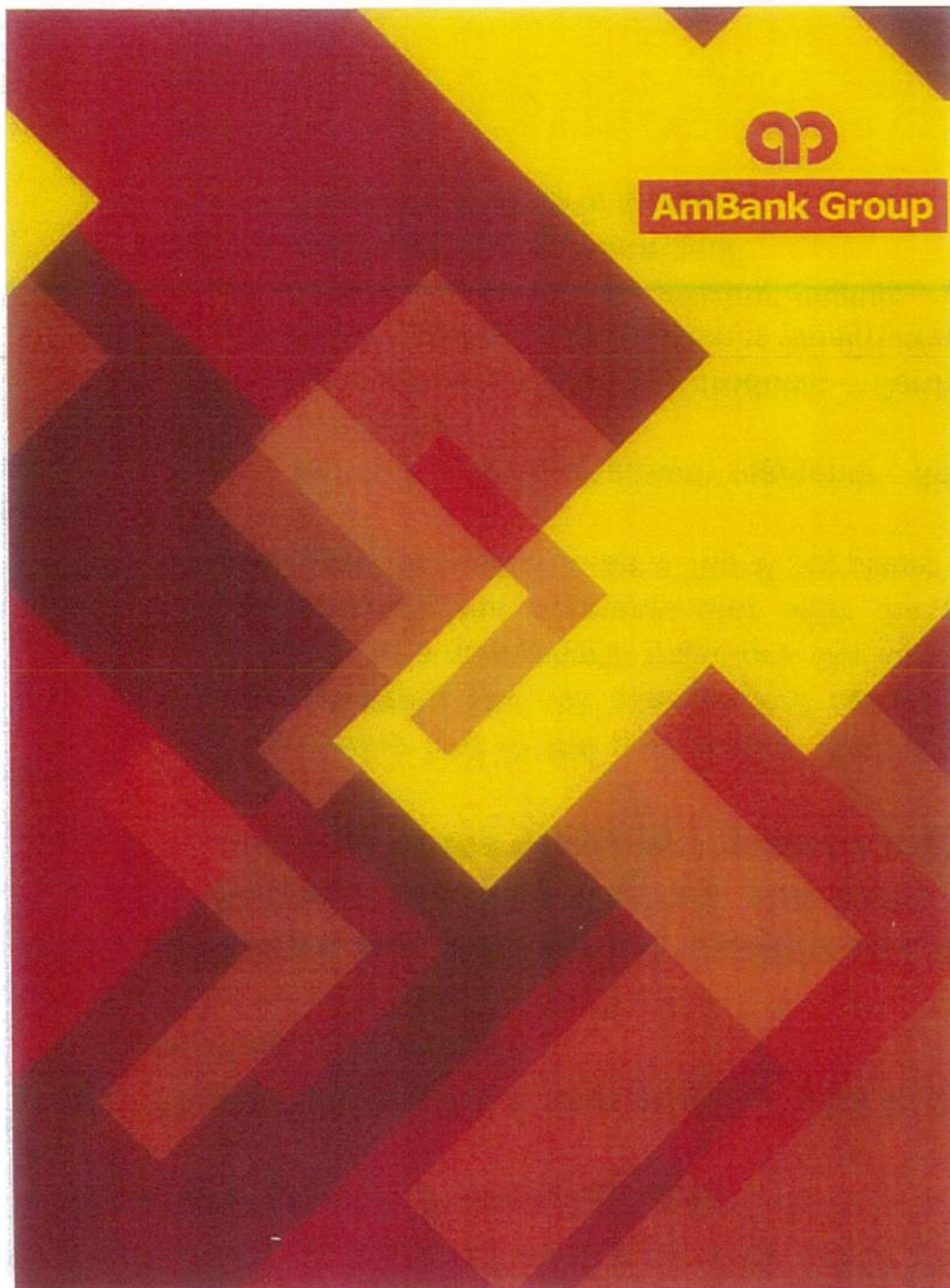
There being no other business, the meeting ended at 1.45 p.m. with a vote of thanks to the Chairman and the Board.

CONFIRMED AS A
CORRECT RECORD

SIGNED

CHAIRMAN

DATE: 2 SEPTEMBER 2016
KUALA LUMPUR



AMMB HOLDINGS BERHAD TWENTY-FIFTH ANNUAL GENERAL MEETING

*AMMB Holdings Berhad (AMMB)'s
Response to
Minority Shareholder Watchdog
Group (MSWG) Enquiries*

18 AUGUST 2016

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q1. Please brief on the 4 year strategic plan to achieve a Top 4 Bank by 2020. In your briefing, please brief:

a) Where the bank current position and how it would transform itself on the business segments targeted, and which areas would pose the single greatest challenge to the Group for the next 3 years?

The Group had in the past several years focused on improving our asset quality and strengthening our risk management capabilities. The Group is now well-positioned in FY2017 for a new growth trajectory. Our new 'Top 4' strategy (FY2017-FY2020) will focus on products and segments that offer the most potential and optimise our existing strengths. We aspire to be a 'Top 4' key player in the following areas:

- Top four in our four growth segments – Retail's Mass Affluent, Affluent, SME and Mid Corporate;
- Top four in our four key products – Cards and Merchants, Transaction Banking and Payroll, Markets and Consumer Wealth Management;
- Sustain Top four in our existing engines – Corporate Loans, Debt and Capital Markets and Funds Management; and
- Top four employer in Malaysia.

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q1. a) (cont'd)

We are determined to achieve our aspirations via focus on both 'running the Bank better' and 'changing the Bank' initiatives. The Group has set clear targets and milestones to measure its progress, placing emphasis on building business momentum and achieving early progressive results.

Our immediate strategy on 'running the Bank better' targets value creation across the business – prioritising quick wins, monetising collaboration opportunities, increasing efficiency by streamlining operations, improving distribution productivity and optimising funding costs.

Our 'changing the Bank' strategy will focus on delivering a unique 'segment-of-one' value proposition to preferred customer segments. We will harness the power of digital transformation and use analytics to capture new sources of competitive advantage.

Now that the four-year strategy has been set and approved by the Board, our focus now is on execution. To support our strategic priorities, a broader people agenda has been developed to ensure we are amongst the best domestic employers and are attracting top talents to build competency.

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q1. b) What is the business prospect of wholesale banking segment for FY2017? Would this segment continue to be the main contributor to net profit in the Group? How would the Group manage and mitigate the risk?

The focus of our Wholesale Banking division for FY2017 will be:

- Growing the SME and Mid Corporate segments as these segments continue to outpace the Malaysian GDP growth;
- Strengthening the markets foreign exchange capabilities and distribution, tapping on the exchange rate volatility and building flow business; and
- Sustain our market leaderships in the corporate loans, debt and capital market as well as funds management.

In FY2016, the Wholesale Banking division contributed approximately 60% of the Group's net profit. We would like to highlight that the division consists of the following lines of business (LOB):

- 1) Commercial and corporate banking – corporate, mid corporate and SME customers as well as transaction banking;
- 2) Investment banking – stockbroking, private banking, debt and capital market and corporate finance;
- 3) Global markets – trading and sales; and
- 4) Funds management.

The diversified structure of the Wholesale Banking division has mitigated the risk of reliance on any single LOB.

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q2. The Group had completed its process of “De-risking” its portfolios during the year. Please share on the tangible results seen on the exercise and translated into its assets, risk capital and risk pricing and rewards.

The Group’s asset quality and risk profile have been strengthened since we initiated the “de-risking” strategy, as illustrated below:

	Parameters	FY2016	FY2011	Improvement
1)	Percentage of auto finance loans over total loans	25%	33%	-8%
2)	Percentage of fixed rate loans	35%	49%	-14%
3)	Percentage of retail loans	52%	62%	-10%
4)	Gross impaired loans ratio	1.94%	3.30%	-136bps
5)	Percentage of risk weighted assets over total assets	71%	75%	-4%
6)	Credit costs	-0.19%*	0.68%	-87bps

As a result, the Group now has a more diversified loan composition which is less susceptible to concentration risk and changes in interest rates. Our asset quality has improved, along with lower loan loss allowances and higher recoveries.

**Reflecting Higher Recoveries*

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q3. Please brief on the measures taken by the Group to strengthen its risk governance and compliance framework to address the regulatory issues reported on page 72 of the Annual Report.

a) What is the stage of implementation and costing incurred to beef up its controls in the key areas of reporting and information technology?

Measures to strengthen the risk governance and compliance framework has commenced. Initial measures are currently being put in place.

Based on the commitments with Bank Negara Malaysia (BNM), the Group will set aside on average RM25 million per annum for 4 years for investment in systems, infrastructure and training.

b) What would be the estimated timeframe to complete the enhancement and comply fully with Bank Negara requirements?

The Group has agreed with Bank Negara Malaysia, a four year program toward achieving market best practices.

The series of measures to further enhance the robustness of our processes, reporting and improvement on our governance and compliance structure will be implemented in phases.

AMMB's Response to MSWG Enquiries

Strategy / Financials



AmBank Group

Q4. What is the Bank's view on "Financial Technology" and how would it approach this area of potential growth, disruption and threat to traditional banking activities through digitalisation and innovations vis-à-vis traditional banking landscape?

The Group is of the view that the Financial Technology presents new opportunities and banks should embrace the revolution. At the Group, we aim to build an extensive set of distinct digital capabilities with the following objectives:

- Improve customer experience through customer led digital approach;
- Drive efficiency and simplicity;
- Create competitive advantage through digital marketing capabilities; and
- Use data-driven insights and analytics holistically across the Group.

Q5. Does the Bank has its own "Responsible Lending Policy" and in particular to support issues and area on "Sustainability Governance", environment supporting the GRI's Sustainability Reporting Guidelines in its supply chain, lending philosophy, activities, etc.? If so, please highlight the principles, the Bank's compliance and its effectiveness.

Whilst we do not have a Responsibility Lending Policy, some of these issues are covered under our Reputational Risk Policy, which requires all customers and their business activities to operate legally as a condition of financing. We are also required to consider the following reputational risks when lending to a customer:

AMMB's Response to MSWG Enquiries

Strategy / Financials



Q5. (cont'd)

Would the activity or transaction be in line with the Group's values or public commitments (e.g. environmental issues)?

- Is the activity or transaction for a legitimate and economic purpose?
- Has there been any recent negative media coverage about the customer or the business?
- Does the transaction or product comply with Anti-Money Laundering and sanctions policies?
- And other relevant expectations of our stakeholders.

All product owners, relationship managers and transaction approvers are required to have an understanding of the Reputational Risk Policy and ensure that AmBank Group products and transactions do not present unacceptable reputational risks and that reputational risk screening is present in the appropriate form in all on-boarding, assessment, approval and review process.

The Group will be developing its guidelines and policies on sustainability related matters to comply with Bursa Malaysia's Listing Requirements (effective financial year ending 31 March 2017).

AMMB's Response to MSWG Enquiries

Corporate Governance



AmBank Group

Q1. We noted that one of the members of the Audit Committee (AC) has served the group in various positions and deemed interested in some of the related party transactions.

In line with the mandate, the principal role and function of the AC, we would like the Board Governance Committee to share the criteria and assessment parameters to be a member of AC.

Our Audit and Examination Committee (AEC) of AMMB Holdings Berhad now consists of the following:

1) Seow Yoo Lin (Chairman)

Independent Director

Former Senior Partner of KPMG Malaysia

Former Council Member of the Malaysian Institute of Accountants

Member of MICPA

2) Voon Seng Chuan

Independent Director

Former Managing Director of IBM Malaysia and Brunei

3) Soo Kim Wai

Non Independent Director

Member of MIA, MICPA, CPA and ACCA

Mr. Seow took on the chairmanship of the AEC in August 2016 from Mr. Voon.

AMMB's Response to MSWG Enquiries

Corporate Governance



Q1. (cont'd)

The membership of the AEC complies with BNM's new Corporate Governance standards, which require financial institutions' audit committees to have:

- Independent Chairman;
- Majority independent members;
- Minimum three members; and
- Members with relevant skills and knowledge for the task.

Similarly, the AEC also complies with the requirements of:

- Listing Requirements of Bursa Malaysia;
- Malaysian Code of Corporate Governance (MCCG) 2012; and
- Proposed draft MCCG 2016.

Q2. Compliance to Recommendation 3.5 of MCCG 2012 which states that the Board should have a majority of independent directors where the Chairman is not independent.

MCCG 2012 and the draft MCCG 2016 both call for a majority of independent non-executive directors (INED) where the Chairman is not independent.

In compliance with the Listing Requirements of Bursa Malaysia, the Company's Corporate Governance Statement in the Annual Report contains an explanation for this non-compliance.

AMMB's Response to MSWG Enquiries

Corporate Governance



Q2. (cont'd)

The Board has seen the departure of several long-serving INEDs throughout the Company's financial year 2016, and the Group Nomination and Remuneration Committee of the Board has been energetic in assessing and recruiting suitable replacements. The Board is determined to on-board new INEDs, who possess the right mix of attributes that will enable them to add value:

- Skills, in particular banking and accounting;
- Experience in Malaysia and abroad;
- Diversity (the Board is 27% female, one of the highest in this sector); and
- Relevance (the new INEDs range in age from 53-58).

The GNRC is using the services of a reputable search firm in order to ensure that it searches beyond its own personal networks. The Board is conscious of the pitfalls of 'group-think'.

Good directors are not easy to find, and it is important to take into consideration the need to fill board seats in the various subsidiaries with good INEDs as well.

We are confident that we will meet the requirements of BNM's new 2016 Corporate Governance standards in this area before the respective deadlines.

AMMB's Response to MSWG Enquiries

Corporate Governance



Q3. We refer to page 52 of the Corporate Governance Statement on the tenure of Independent Director and the exception to the 9 year rule stated in the revised charter. Please clarify vis-à-vis the regulatory requirements.

Page 52 of the Corporate Governance Statement stated that in the course of revising our Board Charter (Version 1), the exception to the 9 year rule as contained in our Board Charter (Version 1) will be removed.

The revised Board Charter (Version 2) which was adopted on 27 July 2016 had basically removed the exception to the 9 year rule and reads as follows -

5.2.4. Tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.

The above complies with recommendation 3.2 of the MCCG 2012, BNM's new Corporate Governance standards and proposed draft MCCG 2016.

None of our existing INEDs have served more than 9 years.



AmBank Group

Thank you!

AMMB HOLDINGS BERHAD (223035-V)
(Incorporated in Malaysia)

QUESTIONS AND ANSWERS

25TH ANNUAL GENERAL MEETING
held on Thursday, 18 AUGUST 2016

Audited Financial Statements and Report of the Directors and Auditors for the financial year ended 31 March 2016

1. **Mr Ng Aik Pheng**, a shareholder, enquired if the shareholders could vote on the audited accounts.

The Chairman explained that in accordance with Section 169(1) of the Companies Act, 1965, Audited Financial Statements would not require shareholders' approval and the laying of the Audited Financial Statements would be sufficient to satisfy the requirement.

2. **Mr Pang Ah Kow**, a shareholder, raised the following questions:-

- 2.1 Would BREXIT have any impact on the Group?

The Chairman was of the view that the withdrawal of Britain from the European Union would not have any significant impact on the Group as the Group do not have operations overseas.

- 2.2 What was the cause that led to the increase in writeback for impairment on loans and financing from RM30.5 million in financial year (FY2015) to RM164.1 million in financial year (FY2016) and what was the timeframe for recovery? (*Reference: Page 74 of the Annual Report 2016 ("AR2016")*)

Dato' Sulaiman, the Group CEO informed that the increase in Gross Impaired Loans in FY2016 was largely from wholesale banking division and that the loans were fully secured against collateral.

- 2.3 Did the Group appeal to the regulator for a reduction of the penalties imposed on the Group totaling RM53.7 million?

The Chairman informed that the Board of Directors had discussed and decided that it was best to settle the fine/penalty without making any appeal.

- 2.4 Would there be any intention for the Group to increase the number of its bank branches?

Dato' Sulaiman informed that the Group has 175 branches in Malaysia. The Group would increase the number of ATM kiosks at the branches. The Group would also be looking into developing and strengthening its digital e-banking channels.

2.5 Noted the high staff turnover rate in the Group.

The Chairman informed that the Group had been searching for a candidate to head the Human Resource Department and finally found Puan Uji Sherina, an experienced Human Resource personnel.

He believed that the current Human Resource Department of the Group was on a strong platform and would be able to perform better than previous year.

3 **Mr HK Lim** ("Mr Lim"), a shareholder, enquired on the reason for the major difference between the total remuneration for FY2015 and FY 2016 (Reference to *Note 34, Page 222 of the AR2016 – Chief Executive Officer's and Director's Remuneration*).

Dato' Sulaiman informed that the increase in FY2016 was due to the different length of service of the directors.

Mr Lim further enquired if the Group was linked to the 1Malaysia Development Berhad ("1MDB") saga and whether the matter had been resolved?

Dato' Sulaiman informed that in view of the secrecy provision of the Financial Services Act 2013 ("FSA"), he would not be able to comment on the matter.

The Chairman stressed that under the FSA, the Board could not comment on the said matter.

4. **Encik Rashid bin Esoofi Mamajiwalla** ("Encik Rashid"), a shareholder, requested for the breakdown of the substantial increase in the Group's Administration and General Expenses classified under 'others' from RM94.8 million in FY2015 to RM215.2 million in FY2016. (Reference to *Note 33, Page 220 of the AR2016*)

Dato' Sulaiman informed that the increase included the RM53.7 million administrative monetary penalties imposed by Bank Negara Malaysia ("BNM") and also higher premium for Perbadanan Insurans Deposit Malaysia of approximately RM31.2 million.

The amount set aside for the Group's 4-year investments in system, infrastructure and training would be amortised and would include among others, moving the Group's data warehouse to Bangi.

5. **Mr Lee Cheng Hock** ("Mr Lee"), a shareholder, raised the following questions:-

- 5.1 On the RM53.7 million penalties imposed by BNM, Mr Lee commented that without making an appeal for a reduction/cancellation of the penalties, it would imply that the Group had breached certain BNM's regulations.

Mr Lee further commented that there was also a report which mentioned some personnel within the Group as being responsible and answerable for some of those breaches. He also raised his concerns that due to the said incident, several of the Group's key officers have resigned.

The Chairman admitted that the Group might have breached certain regulations of BNM. There were also weaknesses within the Group's operation system which would need to be corrected. Moving forward, the Company had put in place a 4-year plan to implement/install systems, infrastructure and training to strengthen the Company's corporate governance and controls.

Additionally, the Company had recruited Ms Faradina Ghouse, the Group's new Chief Compliance Officer, who has extensive experience in a foreign bank on compliance matters.

The Chairman hoped that the Group would become the role model for compliance in the near future.

- 5.2 Mr Lee also sought clarification on the statement that the penalties of RM53.7 million would not result in any loss to the Group and its customers.

The Chairman informed that the penalties were charged to the respective banking entities and were not taken as a loss.

- 5.3 Clarification on report in the press on ANZ Funds Pty Limited ("ANZ") exiting as a shareholder of the Company and the Group's contingency plan.

The Chairman informed that he was not aware of such intention by ANZ and in fact, ANZ was working together with the Group on the 4-year plan.

6. **Ms Chong Siew Yoon** (“Ms Chong”), a shareholder, commented that, although the RM53.7 million penalties would not impact the Group's customer, it would, however have an impact to the shareholders because when the Company's reputation was affected, the share price would decline as well.

Ms Chong further enquired whether the penalties were due to the complaint made by the Terengganu Sultan for the unauthorised issuance of the Terengganu Investment Authority Berhad (“TIA”) bonds by AmBank during the dispute with 1MDB, or was it due to the decision of the Board not to report the sum of money that was debited into Malaysian Official 1 account. She believed that AmBank, having been in the banking industry for 40 years, would not had knowingly run off track from complying with the FSA which resulted in the penalties.

Ms Chong further commented that the public had no knowledge of the facts and would view the matter as a Management integrity issue, which would then lead to loss of public confidence on the Group.

The Chairman informed there were some mistakes made by the Group that had led to the penalties. He also explained that the banking business operation was closely governed and monitored by many regulators. As there were many rules and regulations, there might have been some oversight of compliances matters.

He added that the penalties of RM53.7 million was a closed-case and assured the shareholders that all necessary compliances and processes have and would be put in place. He informed that the investments made by the Group in ensuring a proper governance and compliance structure would be costly to the Group.

7. **Mr Kevin Tan** (“Mr Tan”), a shareholder, raised a matter on credit card, whereby he had been receiving statements from AmBank (the ‘bank’) for more than 15 years (since 1995/1996) addressed to an individual not known to him but with his home address.

He informed that for the past 15 years, he been notifying the bank's customer service that there was no such person and to stop sending such statement to his home address. Up till now, he was still receiving such statements and letters on overdue payment.

He had returned the letters/quarterly statements to the bank and informed the bank that the individual did not reside in that address. The bank had even advised him to open the letters.

He enquired on the timeframe to classify a credit cardholder who had defaulted in his/her payment as bad debt and whether that amount would be reflected in the financial statements.

Dato' Sulaiman explained that where a credit card holder defaulted in making payment for a period of three months, the bank would have issued reminders and proceeded with the normal course of recovery. Thereafter, it would be classified as bad debt and the amount owing would be reflected in the financial statement.

Dato' Sulaiman informed Mr Tan that he would assign one of the bank's personnel to look into the matter.

8. **Mr Leo Ann Puat** ('Mr Leo'), a shareholder, enquired whether the higher cost to income ratio of 58.8% in FY2016 (Reference: *Item No. 4 of Page 83 under the title 'Five-Year Group Financial Highlights' of the AR2016*) compared to the previous four financial years was due to penalties from the regulators or due to increase in insurance coverage.

Dato' Sulaiman explained that the Group had invested quite substantially in the e-Banking infrastructures and the returns/benefits from such investments would not be immediate.

Mr Leo further enquired on the Company's 4-year long-term business plan compared to its competitors?

Dato' Sulaiman informed that the Group had been in the industry for a long time, with good banking transaction facilities serving large corporate clients for years. The Group also has 55,000 merchants as well as 175 bank branches; and therefore has the advantage of its entire legacy. Furthermore, with the advancement of digital technology which the Group had put a lot of focus to develop in the past 18 months, he strongly believed that the Group should be able to perform better.

9. **Mr Lee** commented that the Board should check and confirm with ANZ's representative on the Board with regards to the rumours of ANZ's exit from the Group.

The Chairman informed that it was just rumours. Nonetheless, there might still be possibilities of that to occur in future. To the best of his knowledge, as of to-date, the Company and ANZ would be working together for a long-term business plan of four years till year 2020.

Mr Lee added that with all the suggestions on future plans as explained by Dato' Sulaiman, the Group CEO, there were still some existing issues which the Group had yet to address, in particular the turnaround time to perform bank transactions.

The Chairman said that the Group's top priority was to ensure a faster turnaround time for performing bank transactions.

10. **Mr Lian Moon Kwong** ("Mr Lian"), a shareholder, commented that the Group could promote weekend banking in more of its bank branches and to consider closing the bank on Fridays. He also suggested the Group could consider disposing some of its properties in order to record higher revenue.

The Chairman explained that the properties are assets of the Amcorp Group, not AMMB Holdings Berhad.

In regards to weekend banking, Dato' Sulaiman informed that the purpose of weekend banking was purely for the convenience of customers to perform transaction on non-working days and to avoid heavy traffic on weekdays. He added that the bank's customers might not be in favour of a closure on Fridays.

11. **Mr William Ng**, a proxy, commented whether the Group could consider a rights issue exercise. He further enquired if the slowdown in the property sector would have an impact on the Group?

The Chairman replied that the Group would not consider any corporate exercise at the moment. On the slowdown of the property sector, he informed that the slowdown would not impact the Group.

On the clearance of cheques within 24 hours, Dato' Sulaiman explained that the 24-hour clearance of cheques was only for transactions on Mondays to Fridays. Any transactions done on the weekend would only be cleared on the next working day.

12. **Mr Lian** informed that he has been the bank's customer for the past 20 years and had closed his account with the bank due to his dissatisfaction with the long waiting time.

Other than the above, he also informed that his mother has been the bank's customer for more than 30 years and had difficulties in performing bank transaction due to the height of the bank's counter desk, especially the bank's branch at Sri Petaling.

Dato' Sulaiman took note of the matter and informed that the Group was in the midst of reviewing customer experience at all branches.

13. **Mr Quah Ban Aik** ("Mr Quah") from the MSWG thanked the Board for answering all the questions raised by the shareholders. Although the Board could not give all the facts due to the provisions in the Financial Services Act 2013 / Islamic Financial Services Act 2013 but he was assured that the Board was committed to put in the necessary controls and efforts to ensure better governance.

He commented that as a financial institution, the Group was subjected to maintain the highest standard of corporate governance, and to give the shareholders the assurance that the bank would be run well.

The Chairman thanked Mr Quah and all the shareholders for their questions and concerns. He stated that the new Directors on the Board have a wide range of expertise and experience and would be able to contribute more to the Group.