



T A N S R I A Z M A N H A S H I M

A B A N K I N G I C O N

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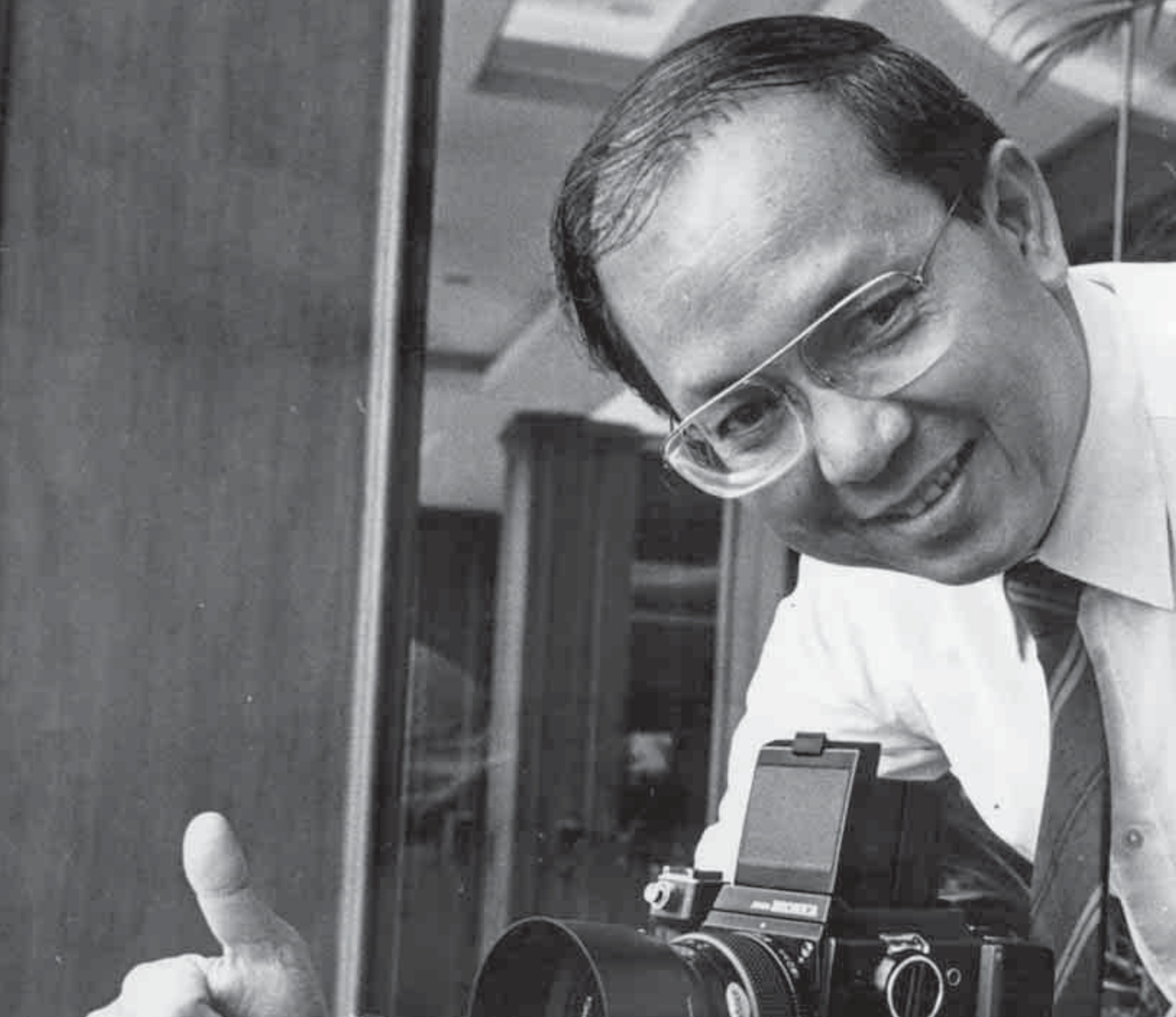
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Tan

TRIBUTE TO

Sri Azman Hashim



Inside

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Introduction

Tan Sri Azman Hashim does not really need an introduction. Having acquired Arab-Malaysian Development Bank in 1982 and built it into the financial conglomerate that AmBank is today, he is widely regarded as one of the pioneering Malay men of commerce. A man who dared to be different and created a success story that not only Malays but Malaysia can be proud of.



Though synonymous with AmBank, however, he is much more than this financial behemoth. He also served Bank Negara Malaysia (BNM). He helped to turn around Maybank when it was in financial distress, and later played a key role in the bank's rapid expansion. He was also the Executive Chairman of Kwong Yik Bank, the first local bank to be established in Malaysia. Later, he became part of a steering committee set up to establish Islamic banking in the country. Through leadership positions in various associations – including the Asian Institute of Chartered Bankers (AICB), Asian Banking School (ABS) and the Islamic Banking and Finance Institute Malaysia (IBFIM), among others – he has contributed to the development of local talent for the financial industry while providing critical input on enhancing the resilience of Malaysian institutions.

That he has been a key figure in shaping the nation's banking industry simply cannot be disputed.

But again, he is much more than his imprint on domestic banking. Thanks to a larger-than-life persona, his sphere of influence extends beyond national borders. Tan Sri Azman has helped to further entrench Malaysia's position regionally and internationally through his involvement in trade missions and associations. Of particular note, he has contributed significantly to enhancing bilateral ties between Malaysia and Japan as well as Australia, two countries with which he has a close affinity. In return, he has been awarded the highest accolades for non-residents from both nations – the Order of the Rising Sun, Gold Rays with Neck Ribbon (1987) and the Order of the Rising Sun, Gold and Silver Star (2021) by His Majesty the Emperor of Japan, and the Medal of the Order of Australia (A.O.), by the Governor-General of the Commonwealth of Australia in 2008.





- 1 Tan Sri Azman Hashim was conferred the Order of the Rising Sun, Gold and Silver Star by His Majesty the Emperor of Japan in 2021 and received the Award from H.E. Katsuhiko Takahashi, the Japanese Ambassador to Malaysia.
- 2 Receiving the Medal of the Order of Australia from former Australian Premier Kevin Rudd in 2008.
- 3 Receiving the Brand Personality Award from Tun Dr Mahathir Mohamad in 2008. (Bernama photo)





Back home, he has also worked tirelessly to elevate education and academia among ordinary Malaysians while promoting the arts. At the same time, his philanthropic acts know no bounds. Through an eponymous foundation and other organisations, he supports numerous worthy causes. Some of the ways in which he has served society have been publicised. But many have gone under the radar because Tan Sri gives out of a genuine desire to make a positive impact, not for the recognition. He said in an interview not too long ago: “If I can make somebody happy every day, that’s enough.”



- 1 From left: Tan Sri Azman Hashim, Tun Dr Mahathir Mohamad, the late Datuk Ibrahim Hussein and the late Tan Sri Dr Sulaiman Daud, then Minister of Culture, Youth and Sports, at an Ibrahim Hussein Art Exhibition, 1986.
- 2 From left: MyKasih Foundation Chairman Tan Sri Ngau Boon Keat, Tan Sri Azman Hashim and MyKasih Foundation Director Datuk Badlisham Ghazali at the launch of the AmBank-MyKasih Community Programme in the Klang Valley, 2010.

- 3 To celebrate their 50th anniversary, Tan Sri Azman Hashim and his wife Tunku Arishah Tunku Maamor (extreme left) pledged RM1 billion to the Yayasan Azman Hashim. With them are DYMM Tunku Ampuan Besar Negeri Sembilan Tuanku Aishah Rohani binti Almarhum Tengku Besar Mahmud and DYMM Yang di-Pertuan Besar Negeri Sembilan Tuanku Muhriz ibni Almarhum Tuanku Munawir.
- 4 The award-winning Bangunan Azman Hashim in Universiti Malaya was opened in September 2016 catering to postgraduate studies in business and accountancy.
- 5 Sultan Nazrin Muizzuddin Shah officiated the opening of Bangunan Azman Hashim.



Among Tan Sri Azman's many outdoors interests are mountain climbing (he scaled Mount Kinabalu on his 71st birthday), powerboat racing and tennis.

Despite being high profile, at heart he is humble and unassuming. Many aspects of his life therefore are little known. We at AmBank believe there aren't many men like Tan Sri Azman Hashim – men who have the right balance of risk-taking and caution; who are competitive yet compassionate; determined as well as devoted. Having had the privilege of working closely with our founder Chairman and getting to understand him better than most, we decided to produce this book. We felt it would be a fitting tribute as he moves on to a new chapter in his life, relinquishing the chairmanship he has held for 40 years to become our Chairman Emeritus/ Honorary Adviser.

At a Harvard Business School Alumni Club of Malaysia event to which Tan Sri Azman Hashim was invited to speak, he opened with: "Sorry, fellas, I didn't go to university, I don't have an MBA, I don't follow any management gurus. I've always managed by the seat of my pants." In the following pages, we demonstrate that a degree or an MBA are not necessary to move mountains.... but only if you are of the same ilk as Tan Sri Azman Hashim!



♪ Living in the fast track



The Charioteer



♪ I did it my way... ♪



A Self-Made Man

Chapter

1

Today, there is an undeniable entrepreneurial spirit globally as well as here in Malaysia. Individualism is very much part of the zeitgeist; and being self-employed, an entrepreneur, is an extension of this. This was not, however, the case in 1960, when Tan Sri Azman returned to Malaysia from Australia as a qualified chartered accountant and chartered secretary. Men of commerce then were few and far between, especially among the Malays.

It was prestigious to work for the government, and anybody who started his own business was seen as lacking in the skills or knowledge needed to become part of the civil service. As Tan Sri Azman noted in an interview given some years ago: “I remember a newly-crowned beauty queen being asked what kind of man she would want to marry. And she said a district officer!” As an aside, he added: “A well respected Malay businessman at that time was probably someone who ran a petrol station.”



**CHARTERED
ACCOUNTANT
—AND HE'S
NOT YET 21**



A YOUNG MAN from Kuala Lumpur, who is studying in Perth, West Australia, has become one of the few Malaysians to qualify as a chartered accountant before reaching the age of 21.

He is Inche Azman bin Hashim, a former student of the Methodist Boys School at Sentul.

Besides being a qualified accountant, he has also passed all the examinations of the Chartered Institute of Secretaries of Australia.

Inche Azman is the son of Inche Hashim bin Mohamed Yusof, an office assistant in the Central Electricity Board, Kuala Lumpur.

He went to Perth on a Colombo Plan scholarship in 1955 when he was 16. Inche Azman will return to Kuala Lumpur next month.

In those days, most bright young sparks trained to become doctors, engineers or lawyers. So, when Azman came back with accountancy skills, he was in demand and wooed by many, including Peat, Marwick, Mitchell & Co and the Commonwealth Development Corporation (CDC). However, his father knew the secretary of Bank Negara Tanah Melayu (as Bank Negara Malaysia was then known) and was keen to see Azman safely ensconced in this newly established, venerable regulatory body. To please him, the young man agreed to join the central bank. When he informed the head of CDC, Mr Fiennes, of his decision, the latter said he would hold a place for him should Azman change his mind. Which was precisely what happened...

New Straits Times, 17 August 1960.





Tan Sri Azman Hashim (second from left) and then Bank Negara Malaysia Governor, the late Tun Ismail Mohamed Ali (second from right), at the Hong Kong International Airport on their way to an IMF meeting, 1962.

Just six months into the job, the same spirit of adventure that drove the 15-year-old to pursue a Colombo Plan Scholarship to study a subject he'd never heard of before ("I had to look up the word accountancy in an encyclopaedia for the scholarship interview"), what more in a foreign country, surfaced. He approached Bank Negara's then Deputy Governor, Tun Ismail Mohamed Ali, with a request to leave. Tun Ismail, however, had already recognised the potential in Azman and was determined to keep this young protégé. "He immediately asked his secretary to call Mr Fiennes and, in my presence, said to him, 'You want to have Mr Azman? Over my dead body!'"

Four years later, however, Tun Ismail realised he could not (and perhaps should not) stop Azman from pursuing his dreams. "When I went back to him for permission to leave, I made it clear it was not to join another organisation but to start my own accountancy firm. First, he said, 'No, no, no, one day you will be Bank Negara governor, go home and think about it.' The next morning, I told him I had thought about it but I was not trained to be an economist. I was trained to be an accountant. This time he relented and even gave his blessing and support."





Hence Azman and Co was formed, with just two others – an office boy/general factotum and a secretary (his wife whom, he likes to add, “quit in two weeks!”). Trying to build his firm, Azman realised how hard it was for businessmen to raise capital. “I had no capital and I needed capital. In those days, there were foreign banks and Chinese banks, that’s it. I went to a British bank for a loan and was offered something like RM800. Even then, it was nothing. So, I had to depend on my work and the cash flow from the fees to grow the firm.”

The first major accounts to come in were from two large Malay companies – Sri Jaya Transport Company and Sharikat Permodalan Kebangsaan Berhad. This helped to establish his name as an accountant and company secretary. Quickly, his client base expanded, as did the number of employees. Within eight years, he had 200 people on his payroll. By then, he had also acquired two partners. First, Joseph Wong Phui Lun joined him, and the firm became known as Azman, Wong and Co. Later, Salleh Yusof, a fellow Colombo Plan scholar and friend from Perth days, also joined the firm whereupon its name changed again, this time to Azman, Wong, Salleh & Co.

In 1966, while still growing the firm, Azman was one of three independent directors elected by Bank Negara to help turn around the fortunes of an ailing Maybank. Azman’s contributions were so highly valued that, five years later, he was offered a permanent position as an executive director. This was a difficult decision to make because it would mean not only leaving his practice completely but also accepting a deep cut in his income. After much thought, he said yes “because I had enjoyed my experience on the board very much. I thought this was something I’m comfortable with.” Another reason was that it allowed him to exercise his entrepreneurial spirit.



From the time he became a director of Maybank through to the 80s, the economy was in overdrive. As it expanded exponentially, so too did Maybank. And Azman was in the thick of it all. “I was involved in opening more than a hundred branches. We were also involved in mobile banking, using converted buses to go to rural areas enabling the villagers to open accounts and make deposits... We built a sports centre, started an IT team and began the process of computerisation. (Maybank became the first Malaysian bank to offer computerised banking services. Computerisation of all 140 branches was probably the biggest contract given to IBM at the time.) I helped to launch their credit cards, which was a big deal. I also helped to establish their investment bank and their insurance companies by partnering with foreign companies...”

Being in Maybank gave Azman a good understanding of the workings of financial markets, hence also the confidence to invest. Other than a crash in 1969 following the May 13 riots – when, in his words, “I could just see my Benz going down the drain!” – the stock market in Malaysia kept going up. “You couldn’t lose money,” remembers Tan Sri Azman. “Those were the days when any company that was listed would be oversubscribed many times. The very next day, the share price premium would be 100 percent more.”



But while he thoroughly enjoyed the buzz of investing as he also helped to grow Maybank, it was not enough for someone who desired to create something meaningful of his own. Maybank was not *his* bank. After 10 years, therefore, he left. Using some of the capital he had acquired from the markets, plus significant borrowings, he acquired a listed company, Taiping Textiles. Although primarily a vehicle to raise more funds, Azman still grew the textile company and made a success of it, supplying cotton fabric to as far as Australia and New Zealand (where it was used to make postmen's shorts and nurses uniforms, respectively). At the back of his mind, however, he had a yearning to own his own bank. His experience at Maybank had made him realise that he had an affinity for the high-octane industry with its rapidly changing dynamics and never-ending challenges. When, therefore, the opportunity to acquire a merchant bank arose, he grabbed it.

- 1 Tan Sri Azman Hashim with former MBB Chairman Tan Sri Taib Andak.
- 2 Meeting of Kwong Yik Bank Board of Directors.
- 3 Tan Sri Azman Hashim (extreme right) during his tenure at Kwong Yik Bank.

This was Arab-Malaysian Development Bank. It had been incorporated on 5 August 1975 as a joint venture between Malaysian Industrial Development Finance Bhd, Kuwaiti-based Arab Investments for Asia, and Saudi Arabia's National Commercial Bank. In 1982, following a Bank Negara directive preventing financial institutions from having interests in more than one investment bank, MIDF sought to dispose of its 55 percent equity in the bank (it had two other merchant banks under its banner). On 22 August, Tan Sri Azman purchased MIDF's major shareholding for a reported RM80 million. Before the year was out, he bought over the remaining shares from the other two JV partners, becoming the only person in Malaysia (and perhaps the region) to have 100 percent ownership of a bank.

With free rein to manage it as he saw fit, the bank grew rapidly in the following years. Through a series of acquisitions – including a finance company, insurance companies, a stockbroking firm and, finally, a commercial bank – Arab-Malaysian Development Bank flourished. From an outfit with 200 staff operating out of eight floors in Bangunan Dato' Zainal on Jalan Melaka, it became a full-blown financial services group with some 10,000 employees pre-Covid.

Bangunan Dato' Zainal



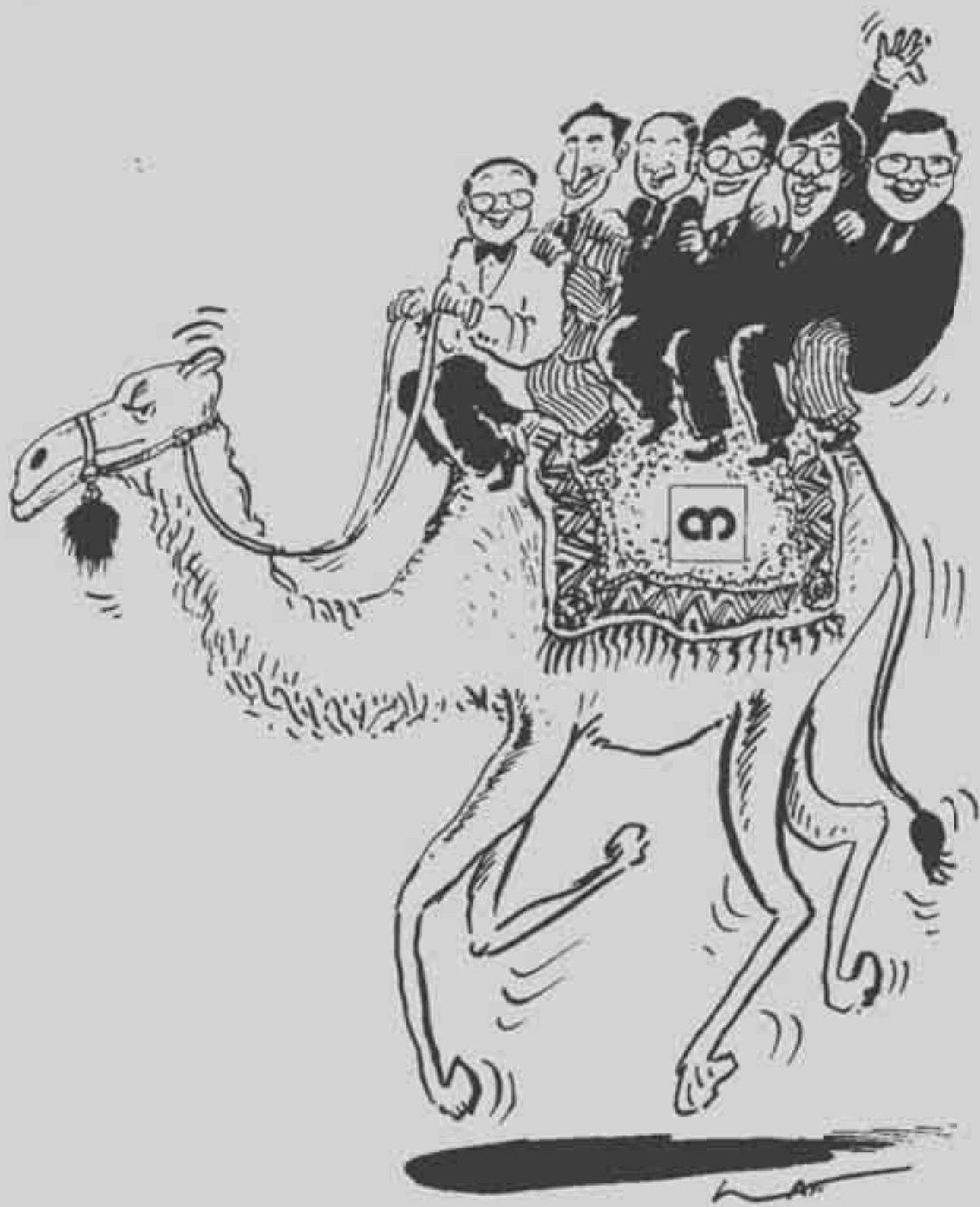
Meanwhile, through Taiping Textiles (which in 1985 was renamed Arab-Malaysian Development Berhad), he ventured into various other businesses – from property development (even in London) to restaurants (Restoran Seri Melayu, Restoran Berputar Seri Angkasa), hotels (Equatorial Group), power plants, etc. Along with an extensive rebranding exercise carried out in 2002, this business was renamed AMDB Berhad; and in 2010 its name was changed again, to Amcorp Properties Berhad.

In 1988, he acquired his second listed company, Temerloh Rubber Estates (TRE), which had the distinction of being the oldest listed company in the country. As he did with Taiping Textiles, he used TRE to diversify into various businesses, from metal perforation, waste disposal, sawmilling and rubber footwear manufacturing to advertising. Over the years, TRE transformed into Amcorp Group Berhad which represents Tan Sri's main investment holding company.

In other words, Tan Sri Azman did not just build a bank, he built a veritable business empire. What is more, he did it on his own – without any government aid or Bumiputera privileges. "When I bought the stockbroking firm, insurance companies, finance houses and commercial bank, I paid through my nose in the marketplace," he recalls. "The commercial bank cost RM200 million. At that time, it was a lot of money. Even today, it is a lot of money! What it shows is that you don't have to wait for the government to hand you a free licence or a free lunch."

You certainly don't if you're Azman Hashim. But not everybody is like him. In fact, he is one of a kind – a pioneer in Bumiputera commerce, yet also a man who lives life to the fullest and lives it always with integrity and principles. In the next chapter, we will talk about Tan Sri Azman's world view, his experiences and the values they have instilled in him, noting how these resonate with the bank he built.





World of Values

Chapter

2

Azman was the third of 13 children in a family raised by Hashim Yusof, a Central Electricity Board employee, and Zabedah Shahid, a teacher who eventually became headmistress of Kampung Baru Malay Girls' School. Till today, it remains the largest Malay girls' school in the country with an alumni that includes Tan Sri Rafidah Aziz; in fact, one of Zabedah's students.

For most of his childhood, the family lived in a two-room house in Setapak, where all the children camped on mattresses pulled out from under furniture at night. Food was shared equally and Zabedah instilled a sense of frugality in all her actions. She would, for example, go to the market only in the evening when the sellers were willing to bring down their prices. She would also collect rubber wood herself for fire to cook with.





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Tan Sri's parents, Hajjah Zabedah and Hashim Yusof.

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Family portraits: (above) taken outside the family home in 1951, with Azman second from left, and (below) taken several years later, with Azman in the middle row, second from left.

Rather than dampen the children's spirit, making do with the family's modest income inspired ingenuity. For example, when Azman's younger brother Azhar was made a prefect and therefore required to wear black shoes, he painted his white canvas shoes black. And to look smart for his Colombo Plan Scholarship interview, Azman borrowed a tie from a friend because he did not have one of his own. He recalls how his brothers and he had only two pairs of trousers at any one time, and would shave their heads to save on haircuts. Till today, Tan Sri Azman is loath to spend unnecessarily. His love for fast cars is legendary, but many may not realise that he only buys them second hand, generally a year after they have rolled out of the showroom, "when you get real value for money".

It is interesting to note that making money has never been an end goal. In an interview with *Asian Business* in 1996, Tan Sri was asked how he had made the big break from rags to riches, to which he answered: "My target was never riches. All I wanted to do was my best and work hard... Dollars and cents were the by-product." More recently, he has said: "When you start something, you don't think about money. You're so passionate, you just want to do it well."

Other than to teach her children the value of money, Zabedah imparted the virtues of honest hard work and a good education. Her influence on the young Azman was such that Tan Sri considers his mother to be "my hero". Talking about her, he says: "Do I have any mentor? Only one, my mother. She was a teacher and really prioritised education. That's why all 13 of us have done well and most are professionals, including my sisters. My father would say, 'These girls will get married, so they don't need to go to university.' But my mum insisted."





MOTHERS of the YEAR '87

1987

- HAJJAH ZABEDAH HAJI SHAFIQ of Perak
- MADAM SUPPAMAN of Seremban, Selangor
- MRS LEE EUNG YEW nee NGIA NGUX HUONG of Penang
- HAJJAH SAODAH bt SULAIMAN of Johore Baru, Johore
- MRS LIES VALBERG nee LIES DE WIND of Penang (Kuala Lumpur)

WOMAN

Zabedah's string of As

There they are, out to prove their mother's distinction: Datuk Azman and Azlan are accountants and bankers, Azmi also an accountant, Azhar and Aziz are engineers, Azan, a chartered surveyor, Azrah and Azlan are lawyers, Azidah and Azrah are doctors, Azlan, a clerk and Azrah and Azmah, housewives, writes MURAHYANI OTHMAN

Religious lessons

"I guess I did not fully appreciate the value of my mother's religious lessons until she was, thank God, deceased."

"I guess I did not fully appreciate the value of my mother's religious lessons until she was, thank God, deceased."

1

Zabedah was a key figure in Tan Sri Azman Hashim's life.

2

The close-knit family.

3

Tan Sri Azman Hashim, his late mother and YB Dato' Seri Hajjah Shahrizat Abdul Jalil, then Minister of Women, Family and Community Development, at the launch of a book about Zabedah's life.

New Straits Times, 11 May 1987



Motivated to attend an English school (ie one of the missionary-run schools), the young Azman cycled to and from Methodist Boys' School (MBS) Kuala Lumpur in Sentul, which was a considerable distance from home. His bicycle was too big for him, so he would pedal in a standing position, swaying from side to side. At school, the inquisitive quick learner did well enough to receive a triple promotion (from Year 2 to Year 5) followed by a double promotion (from Year 6 to Year 8).

His academic as well as extracurricular achievements brought him to the attention of the principal, Mr Mori. In his final year at MBS, Mr Mori "out of the blue handed me a piece of paper and said, 'Apply for this.'" It was an application form for a Colombo Plan Scholarship to study accountancy in Perth, Australia. At the interview, he impressed the panel sufficiently to be one of only four students (out of about 40) to be awarded the scholarship. Ever modest, Tan Sri says of this – his first major achievement – "Maybe I got it because I was one of the youngest there, I was not even 16 at the time." In those days, because of disruptions caused by the war, most Malaysians were aged 19 or 20 by the time they finished their Cambridge Certificate.



QUEST FOR EXCELLENCE

A less self-effacing yet more plausible explanation for his scholarship is that the interviewers could discern in Azman a keen intellect as well as an inherent quest for excellence – two qualities that make for a good scholar.

An anecdote shared about his desire to expand his mind stands as a good example of the former. Azman had attended a Malay school for three years before joining MBS Sentul. It was only at the missionary school that he started learning English. He remembers how, in one of his essays, he used a lot of “cowboy expressions” that he had picked up from cowboy comics, which did not go down well with his English teacher, actually an American called Mr Babcock. Wanting to impress Mr Babcock, Azman followed this with an essay written in proper English. The improvement was duly noted, with Babcock writing in the margin that he wrote like Ernest Hemingway. “I didn’t know who Hemingway was,” Tan Sri Azman said. “But Babcock’s comment really inspired me. So, I went to the USIS (US Information Service) library and read all the books by Hemingway.”



1

Methodist Boys’ School in Sentul.

2

An 18-year-old Azman Hashim in Perth, Australia.

3

Time out while studying accountancy in Perth on a Colombo Plan Scholarship.

As for striving for excellence, this is evident in almost everything he does – from working and running a business to playing sports, singing, painting and the myriad other interests that he has. Speaking informally to a small group very recently, he said: “Striving for excellence is a Japanese trait and I’m 25 percent Japanese. My father’s mother was Japanese. Maybe because of that, whatever I do I strive to do my best. For example, in golf, I feel I can improve. So, I’m taking lessons from a pro to improve.”

A natural athlete, Azman participated in various sporting activities in his youth. In each, his quest for excellence combined with a competitive spirit made him a formidable opponent. At school, because of his promotions, he was almost always smaller as well as younger than his classmates. Yet his athletic prowess earned him their respect. It was the same when he went to Australia. He quickly realised that the Australians are an outdoorsy lot, and to blend in he joined a badminton club and tennis club. Although the Aussies were at least a head and shoulder taller, his mastery of badminton was such that he could still beat them at the game.



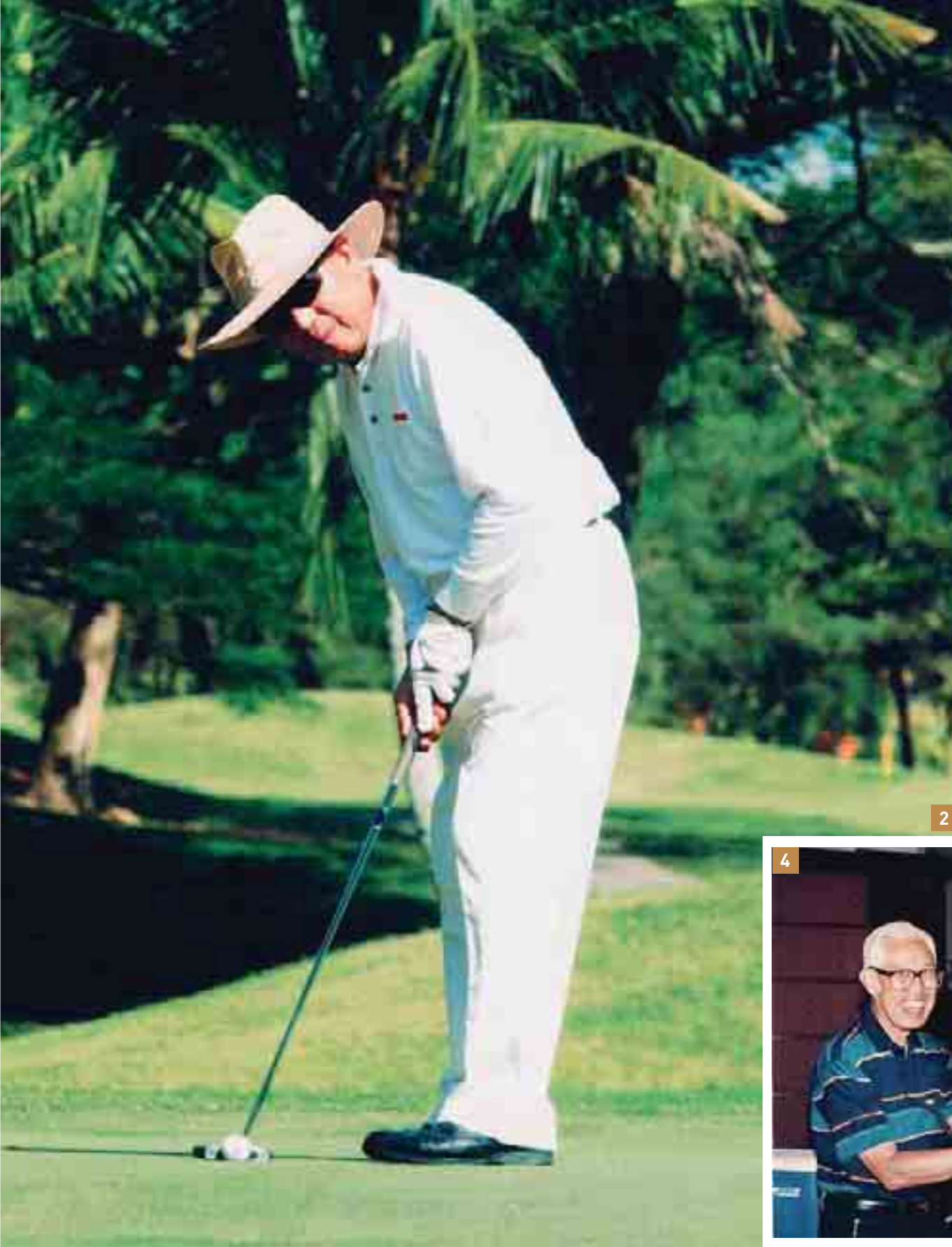
1

The Charm of Sukiyaki



Azman San

- 1 Tan Sri Azman and his wife, Tunku Arishah, often sing together.
- 2 Tan Sri’s love for golf has not diminished over the years.
- 3 Tan Sri also took up tennis in his youth.
- 4 Tan Sri Azman Hashim receiving a trophy from then BNM Governor Tan Sri Dato’ Jaffar Hussein on behalf of the Association of Merchant Banks Malaysia (AMBM) following the team’s win at the Annual Badminton Tournament with BNM, 1994.



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- 1 Tan Sri Azman shares a passion for horse riding with Tun Dr Mahathir Mohamad.
- 2 Team AmBank Malaysia drivers Andy Elliot from England and Simon Saw from Malaysia in Tan Sri Azman Hashim's powerboat. (Bernama photo)
- 3 Tan Sri Azman Hashim was one of 80 Malaysian torchbearers at the Beijing 2008 Olympic Torch Run.

- 4 Tan Sri Azman Hashim enjoying the thrill of jet skiing on Lake Kenyir, Terengganu, 2009.
- 5 Diving off Pulau Sipadan, Sabah, with family and friends, 1997.



With singing, too, many may have noticed that Tan Sri Azman's vocals have improved notably over the years. From a bathroom singer in his childhood house (at age nine, he surprised his father by singing an entire song in English although he did not know the language), Tan Sri Azman now sings with University Malaya's symphony orchestra. This is because he works hard at it... even when recuperating in hospital! When he was 50, he was involved in a car crash and was warded for a considerable amount of time. While the workaholic in him insisted that his colleagues make presentations to him in the hospital, the "singing banker" (as he is known) also had a karaoke machine installed in his room and made the most of his enforced downtime to exercise his vocal chords.





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Of UM's symphony orchestra, he says: "It's a 70-piece orchestra at max and singing with them is great, but to get there, I've been practising two to three hours a week at UM in their cultural house. During the pandemic, we recorded 200 songs. The Dean of the Faculty of Creative Arts, Prof Nasir (Hashim) wanted to have a Big Band and I made it a reality for him. So, he wrote all these songs for me." The Big Band is so good, it performs at various social events.

1 Returning to work after a car crash when he was 50.

2 Visit from Tunku Arishah while recovering in hospital after the car crash on 25 June 1989. (New Straits Times photo)

3 In a wheelchair, surrounded by family members, 1989.

4 Singing at AmBank Group Family Day in Kota Kinabalu, 2007

LESSONS ON EQUALITY

The five years that Azman spent in Australia proved to be another turning point. Over and above qualifying as a chartered accountant and secretary, he credits his exposure to Australian culture for his strong belief in egalitarianism. "Australia is a very equal society. You don't look down on anybody," he says. He remembers how, while auditing Fremantle Port, "the accountant would come to work in his old car, while this port worker came in a brand-new car. His pay was double that of the accountant!"

The egalitarian culture he experienced shaped Tan Sri Azman's value system, guiding him in his dealings with everyone – at work and otherwise. Speaking of his management style, he says: "I treat everyone as much as possible as friends. I don't say I'm the boss. I like them to feel they can talk to me anytime. In fact, if I see anyone bossing anyone else, I get upset and they won't survive long if I have my way." Another phrase he likes to repeat is: "Those who throw their weight around carry no weight at all."



Tan Sri Azman Hashim and AmBank Group CEO Dato' Sulaiman Mohd Tahir at the bank's Chinese New Year 2018 Open House.



ACCOUNTANT WEDS A TENGKU

18 MAR 1963

ASSISTANT Chief Accountant of Bank Negara in Kuala Lumpur, Dato' Azman bin Hashim, meeting his bride, Tengku Arianah binte Tengku Ma'amar (second from right), before their betrothing ceremony in Kampung Bahru, Kuala Lumpur, yesterday. The bride is a member of the Negri Sembilan royal family. — Straits Times picture.

New Straits Times, 18 May 1963



The fact that Tunku Arishah was royalty did not deter Tan Sri Azman from wooing her and eventually marrying her in 1963.



Tan Sri Azman Hashim has always been supported by a multiracial team.

As an extension of his deep-rooted sense of equality, he is often described as being “colourless”. That description would be far from accurate in any way other than that he doesn’t “differentiate between colour, race, religion, nothing... other than merit.” This is something that has been ingrained in him since childhood, when he had friends from all the different races. In an autobiography soon to be published, he says: “Race relations back then were very different. I personally did not feel defined by my identity as a Malay, at least not in a way that made me conscious of being different from other Malaysians.”

Reflecting his “colourless-ness”, Tan Sri has always been surrounded by a multiracial team, one that in the early days included the likes of Cheah Tek Kuang, Kumar, Soo Kim Wai, Suzy Chan, TC Kok, Pushpa Rajadurai, Patrick Low and Ashok Ramamurthy in addition to Dato’ Malek Merican, Syed Anuar, Datuk Mohamed Azmi Mahmood, Tan Sri Azlan Zainol and Datuk Ameer Ali Mydin. These pioneers at AmBank are as representative of Malaysia’s racial diversity as one can get, led by a man who considers himself “not a Malay banker but a Malaysian one”.

“

Throughout my career, I have got things on my merit, and similarly I apply the principles of meritocracy here at AmBank. ”

Tan Sri Azman Hashim

OF MERITOCRACY & COMPASSION

While brushing race and status aside, what Tan Sri looks for is excellence. Just as he always tried to do his best, he expects the same of people working with him. “Throughout my career, I have got things on my merit, and similarly I apply the principles of meritocracy here at AmBank,” he says.

At the same time, he believes in empowering his people. He is careful to choose people of high calibre, then fast-tracks their professional development by letting them make their own management decisions. He recalls the time when Maybank was pioneering credit cards. “I said to this chap, you can start it. I didn’t interfere.” As we now know, the credit card business grew from strength to strength and was emulated by other local banks.



Tan Sri Azman Hashim treats everyone in AmBank as family, and their children as an extension of that family.

Of course, there are times when things do not go as planned. And when this happens, he demonstrates a trait that genuinely sets him apart: that of not blaming others. During the Asian Financial Crisis, when the number of non-performing loans (NPLs) escalated, he never pointed fingers at any of his managers. Although the bank suffered its only financial loss as a result of this crisis, Tan Sri's compassion for his employees was such that he still paid them their annual bonus. He knew how important this was to those with children who would need new books and uniforms for the upcoming academic year.

If he believed someone had genuinely made an error of judgment that could have been avoided, he would take the person aside and speak to him calmly about the event. He never raised his voice. There were never any boardroom tantrums.

Cheah, one of AmBank's longest serving employees, puts it succinctly. He says he was never tempted to leave because he



Cheah Tek Kuang (left) became one of AmBank's longest serving employees because he believed he could not possibly be as happy in any other company.

didn't believe he would enjoy the same level of job satisfaction anywhere else. He cites the freedom of being trusted, of never being brushed off by the chairman and the sense of camaraderie as having built a very united and loyal leadership team.

Indeed, for most AmBankers, the group is like Hotel California – “you can check out anytime you like, but you can never leave”. Those who do leave do so to move on to bigger things, always with Tan Sri's blessing. “Empowering them and growing them gives them the confidence because you help them see that they can do things on their own,” he says.

In the 40 years that he has helmed AmBank, Tan Sri Azman has left an indelible stamp on its culture and ethos. There can be no denying that he played a decisive role in shaping the group's corporate values, that of being Principled, Proactive, Appreciative, Connected and Evolving.

THE BANK AS FAMILY

Many corporate leaders today will say that their employees are like family. Tan Sri Azman does not need to say it; his actions prove it to be so. The respect that he shows his people, as well as compassion, is what one would expect from the head of a family.

The same warmth with which he treats employees is also extended to customers – whenever they are in trouble, the bank has done all it can to help them. In his autobiography, Tan Sri recalls the way the bank bent backwards to help customers that were badly hit by the Asian Financial Crisis: “Our style was to hold our customers’ hand and support them through the tough times. Not only was it satisfying for us when they succeeded in pulling through, it also made good business sense.”

This just goes to prove the man means what he says. Just a year before the crisis unfolded, he had given an interview to *Asian Business* in which he said of top US companies: “They’re very good, but they’re very cold. They think compassion is weakness. There’s no human, warm relationship. This isn’t the Asian way.”

“

Our style was to hold our customers’ hand and support them through the tough times. Not only was it satisfying for us when they succeeded in pulling through, it also made good business sense. ”

Tan Sri Azman Hashim

- 1 Many AmBankers stay with the group for the long haul.
- 2 Happy faces at one of the bank’s family days
- 3 A family that works together stays together.



Profits and Productivity



Up, up all the way!
Good... heh! heh!

Building A Bank

Chapter

3

His experience at Maybank was an eye-opener for Tan Sri Azman. It made him realise how much he relished the ability to grow a bank. And made him yearn to start one of his own. Ideally, he would have liked to run a commercial bank; however, there was none going. He therefore settled for the next best option: he acquired a merchant bank and worked towards building it into a full-blown financial marketplace.





Negotiations on the price for Arab-Malaysian Development Bank were based on its price to earnings (PE) ratio. This had been calculated at 10, however the Deputy Governor of Bank Negara, Datuk Aziz Taha, increased it to 12. Azman remained undeterred. As with Taiping Textiles, he used his own capital as well as borrowings. He was utterly confident he could make it worthwhile.

While others may have faltered finding themselves suddenly owning a bank, Tan Sri Azman immediately got down to work. First on the agenda was to inject into the bank the kind of dynamism he is known for. Adding to existing gems, such as Johari Low and Cheah Tek Kuang, he bolstered the team with thinkers and innovators – those with the ability to do things differently in order to do them better. A key new recruit was Dato' Malek Merican, who had served the Treasury for 15 years including a two-year stint at the International Monetary Fund (IMF). The graduate of both Oxford and Cambridge Universities had no banking experience but was an expert in finance and economics. Getting him on board was a coup, and reflected Tan Sri Azman's own stature in the industry.

Asian Finance, 15 January 1986



Tan Sri Azman Hashim and Dato' Malek Merican (second from left) being shown around the KLSE as then KLSE President, the late Dato' Salleh Majid (extreme left), looks on, 1991.

Individual credentials aside, the team worked well together and quickly established a reputation for being efficient, professional and offering high-quality service. At the time, there was only a handful of other merchant banks, most of them small, hence the opportunity for Arab-Malaysian to make its mark. And the team seized it. Although the newest and smallest of the lot, within the first year of the takeover itself, the bank almost doubled its profit – its pre-tax profit jumping from RM15.2 million in 1982 to RM29.5 million in 1983. In the second year, PBT shot up to RM42 million, and by 1996, it had hit RM635 million. In 1988, Arab-Malaysian Merchant Bank (as it was now called) became the first merchant bank to be listed, and was 5.8 times oversubscribed. In the next few years, it became the biggest merchant bank in the country.

SIGNING CEREMONY
MENARA KUALA LUMPUR SDN BHD
RM240.000.000 SYNDICATED CREDIT FACILITIES

COMPRISING
 RM180.000.000 REVOLVING UNDERWRITTEN NOTES ISSUANCE FACILITY
 RM60.000.000 AL-BAI BITHAMAN AJIL FACILITY

ARRANGER & LEADER
ARAB-MALAYSIAN INVESTMENT BANK BERHAD

1 AUGUST 1994



Tan Sri Azman Hashim with Tan Sri Dato' Dr Mohd Rashdan bin Haji Taha at the signing ceremony for the RM240 million Menara Kuala Lumpur Sdn Bhd syndicated credit facilities, 1994.

Among the innovative products launched within the first decade were Arab-Malaysian Gilts, Arab-Malaysian Individuals' Government Securities (AMIGOS), Arab-Malaysian Property Trust (the first property trust to be listed on the KLSE), and Tabung Ittikal Arab-Malaysian, the first Islamic Unit Trust fund. Dato' Malek also initiated a couple of funds aimed at international investors, such as Malaysia Fund Inc, listed on the New York Stock Exchange; and Malaysian Growth Fund (or the Japanese Fund) which targeted Japanese investors. With time, the investment bank played an increasingly bigger role in the capital market. Among others, it was involved in the privatisation and listing of Telekom Malaysia. It also financed projects such as Menara Kuala Lumpur. In 1995, it became the first merchant bank to offer offshore banking services, in Labuan. By 2007, AmInvestment Bank (as it was now called) was offering products for corporate banking, stockbroking, funds management, the debt capital market, derivatives and others.



BEYOND INVESTMENT BANKING

While growing the merchant bank, Tan Sri also developed its finance arm, Arab-Malaysian Finance Berhad (AMFB). Through a series of acquisitions, the biggest being that of MBf Finance in 2002, AMFB became a force to be reckoned with. Meanwhile, Arab-Malaysian Credit Bhd, which had been set up in 1983, also grew in prominence – especially in East Malaysia, where it contributed significantly to the development of various nascent industries.

The group's insurance business also got off to an early start. In 1984 and 1985, Arab-Malaysian acquired Teguh Insurance Berhad and Perima Assurance Berhad, a general insurance company and life insurance company respectively. To grow the life insurance business, Tan Sri Azman brought in foreign partners including Eagle Star Insurance and Friends Provident of the UK, and – in 2014 – US-based global insurance provider MetLife. The signing ceremony with MetLife proved to be momentous as it was presided by none other than former US President Barack Obama. Although the general insurance business charted a smooth path, in 2006 Tan Sri brought in another foreign partner – the Insurance Australia



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1 Greeting former Sarawak Chief Minister Tun Abdul Taib Mahmud at the launch of an AMDB branch in Kuching, Sarawak.

2 - 3 Welcoming MBF Cards employees into the AmBank fold.

4 Christopher Townsend signing the agreement between AmBank Group and MetLife, witnessed by YAB Datuk Seri Najib Tun Razak and US President Barack Obama.

5 Signing a plaque in conjunction with the official launch of the new AmMetLife and AmMetLife Takaful office.

6 AmBank Group extending a warm welcome to Kurnia Insurance staff, 2012.



5

Group (IAG) – to accelerate its growth. The acquisition of Kurnia Insurance (Malaysia) Berhad in 2012 meant that the group became the largest motor insurer in the country.

It was only a matter of time before the group ventured into stockbroking. Indeed, in 1986 Tan Sri acquired Kris Securities (actually a family business) which later became AmSecurities Sdn Bhd. This development was significant, making AmBank the first to institutionalise a stockbroking firm. Like the group, its securities arm pioneered various products including AmSmart, which opened up margin trading to the man on the street. This unit was very profitable during the boom years.



6



Tan Sri Azman Hashim, with then Managing Director Tan Sri Azlan Zainol, doing the honours to officially launch AmBank (Commercial Bank), 1994.

The most significant acquisition, however, was that of a commercial bank – the “final piece of the puzzle that allowed us to become a full financial services provider”. On 1 August 1994, the group bought over the Malaysian operations of Security Pacific Asian Bank Ltd from Bank of America (Asia) Ltd. Tan Sri Azman paid RM285 million for what eventually became known as Arab-Malaysian Bank Berhad. Many thought the price excessive, especially for a bank with just one branch in Kuala Lumpur. But to Tan Sri this was an opportunity not to be missed. It was not every day that a commercial bank was up for grabs. However, he realised the team had to work hard and fast to compete with the many other well-established commercial banks in town. And this is precisely what they did. “We quickly made plans to expand and by the end of 1995, we had 12 branches. We set a target of opening 30 branches in the next two to three years. Assets grew very quickly.”

With Arab-Malaysian Bank in its fold, the group catapulted into one of the leading financial institutions in the country.



Sunday banking



Late banking



Opening of new branches

SURVIVING THE CRISES

As to be expected, the going was not always easy. In the mid-1980s and towards the end of the 1990s, the banking industry faced a number of crises. The 1985 recession, sparked by high interest rates in the US, caused property and commodity prices to plummet, “wiping out a whole generation of Malaysian millionaires” according to former banker and Harvard-educated economist, Tan Sri Lin See Yan. Given that Tan Sri Azman had borrowed heavily to acquire Taiping Textiles and the bank, and kept borrowing to fund the bank’s expansion, the recession affected him badly. To settle his debts, he sold 40 percent of his shares in the Group – 20 percent each to Antah Holdings Bhd and the Tokai Bank, one of Japan’s largest banks.





At the launch of Malaysia's first venture capital company, Malaysian Ventures Berhad, 1984.

KONNI CHIWA!



This was a milestone as, from this moment on, Tan Sri was no longer the sole owner of the bank. Fortunately, both Antah and Tokai Bank proved to be good partners. In fact, throughout the bank's history to date, all the partnerships that Tan Sri has entered into have proven to be judicious. Whether it is a knack for seeing through the often hazy public face that companies portray or plain luck, we may never know. However, Tan Sri has also almost always made sound choices in picking out team mates, so he may just be blessed with incredible intuition.

Back to the recession, it is worthy to note that while others started to tone down their activity for fear of a bearish environment, Tan Sri Azman remained upbeat. He continued to make acquisitions to grow the bank, saying it was an opportune time as companies were going cheap.

The second moment of reckoning was the Asian Financial Crisis which swept the region like an unexpected tsunami. Beginning with the devaluation of the Thai Baht in July 1997, soon the currencies of the entire region were in freefall. By the end of August, according to BNM, “the ringgit had depreciated by 40 percent against the US dollar from the pre-crisis level, while the stock market declined by 72 percent during the same period.” Ironically, if not for having acquired its prized commercial bank three years previously, AmBank would have escaped this crisis relatively unscathed. As it was, the team had been handing out corporate loans aggressively, which meant it was now saddled with seemingly insurmountable bad debts. Its share price dropped from RM24 to RM1.40. The only way out was to sell its NPLs to Danamodal. It was one of the first banks to do so, and also one of the first to pay back, within the year. By the next year, the bank started to recover.





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- 1 Signing ceremony for a half billion ringgit guaranteed fixed rate note facility, the first package of a RM1 billion financing facility offered by AMMB to Shell MDS (Malaysia) Sdn Bhd.
- 2 Tan Sri Azman and YBhg Dato' Azizi Yom shaking hands on an Underwriting Agreement for the listing of Arab-Malaysian Finance Berhad (AMFB) shares.
- 3 AMMB scored a first by launching Arab-Malaysian Gilts, the first unit trust in the country to invest in government securities.

Utusan Malaysia, 30 July 1999

BNM arah memorandum persefahaman dimeterai sebelum akhir September

Enam gabungan bank

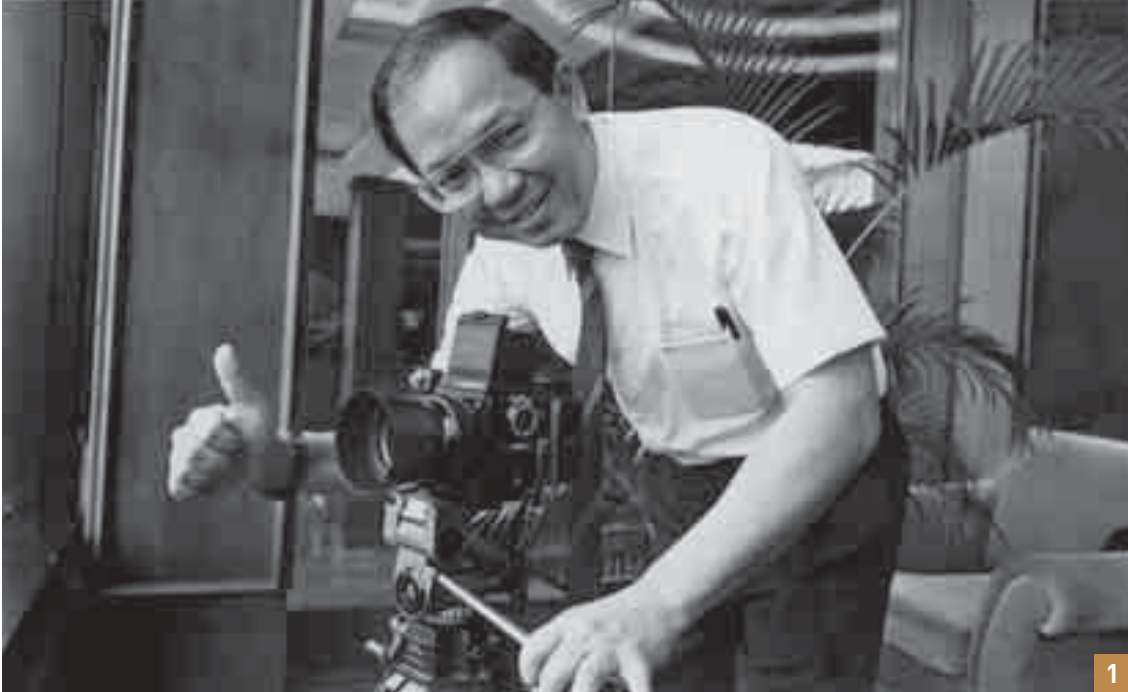
KERJA-kerja untuk mencapai kesepakatan mengenai memorandum persefahaman mengenai enam gabungan bank akan dimeterai sebelum akhir September, kata Menteri Kanan Kanan Keselamatan, Datuk Seri Anwar Ibrahim.

Race for anchor bank status heats up

The Star, 20 December 1999

As in the previous crisis, Tan Sri Azman never wavered in his faith in the bank and its people. This period, which was no doubt bleak for anyone in the industry, speaks volumes of what some of his close colleagues call his “stoicism” and resilient mindset. In his own words, Tan Sri says: “I resisted the instinct to spend every waking minute obsessing about the endless problems of the crisis. I reminded myself that it was important to hold on to some sense of balance. It was in fact around this time that I took up photography and art, which I found to be a good way to relieve stress.”

A third crisis unfolded soon after. In July 1999, the government announced its decision to consolidate the industry, forcing mergers to form only six banking institutions. The “shocker” was, although AmBank was by then the fourth largest bank in the country, it was not among the six; it was to be taken over by the much smaller Perwira Affin Bank. Needless to say, many banks were rankled. Tan Sri Azman himself felt a need to speak to the Prime Minister, Tun Dr Mahathir Mohamad. Following a subsequent review, Bank Negara increased the number of anchor banks to 10. This time, AmBank was on the list.



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- 1 Tan Sri Azman Hashim took up photography as a diversion from the Asian Financial Crisis. (New Straits Times photo)
- 2 Candid photo taken by Tan Sri Azman Hashim.
- 3 Portrait of Tunku Arishah by Tan Sri Azman Hashim.
- 4 Among the art works executed by Tan Sri himself.

Bangunan Arab-Malaysian

(now Bangunan AmBank Group)
on Jalan Raja Chulan





Dato' Azlan Hashim, Dato' Malek Merican, Tan Sri Azman Hashim and Johari Low discussing the group's future headquarters, Bangunan Arab-Malaysian (now Bangunan AmBank Group), 1985.

BRAND BUILDING

One aspect of Tan Sri Azman that stands him apart, especially among bankers, is his creativity. When he was younger, it made him aspire to be an architect. Although this was not to be, after acquiring the bank, he found an outlet for his architectural instincts by getting closely involved in the design of the group's first proper home, the 26-storey Bangunan Arab-Malaysian (now Bangunan AmBank Group) on Jalan Raja Chulan. Built by his property arm under Arab-Malaysian Development Berhad, the tower was iconic not least for the gigantic outline of a camel (depicting the Arab-ness of Arab-Malaysian) on its façade.

Tan Sri also played a significant role in building the group's brand. As Syed Anuar Syed Ali, Executive Vice President, Group Corporate Communications and Marketing, says: "He realised the importance of branding from the time he was in Maybank. When he owned his own bank, the opportunity came to develop the brand. He enjoyed that. He was personally involved in the whole process of approving and going through entire campaigns, literally driving these."

With Lat and then Managing Director of Arab-Malaysian Finance Berhad Tan Sri Azlan Zainol at the launch of Savers' G.A.N.G. TV commercial, 1988.



It was his idea to bring in popular cartoonist Lat to humanise the bank. At the time, the banking industry was seen as being stolid – humourless and perhaps even heartless. Lat's cartoons – printed in the bank's newsletter as well as in its mass advertising – changed this. Instead of using just words to communicate a new product, for example, Lat was able to get to the essence of it and depict it in a witty as well as easy-to-understand manner.



Stills from the Savers' G.A.N.G animated TV commercial.

People just “got” Lat, and through his cartoons, they “got” the bank too. Leveraging Lat, AmBank also became the first bank in the country to produce an animated TV commercial, based on his cartoons, with Tan Sri Azman doing the voiceover.

The unforgettable AmBank jingle, in which “AmBank, ma!” was tagged on to the famous Anak Ayam tune, was another one of Tan Sri’s ideas. “He was all for using colloquial language because it Malaysian-ised us and brought us closer to the people,” says Syed Anuar.



Finally, it was Tan Sri's decision to shorten the group's name from Arab-Malaysian to the snappier and infinitely easier to remember AmBank in 2002. Along with the name change, he decided to change the colours of the logo from the original corporate-ish black and white to the brightest red and yellow. "Some of my friends told me that the combination was too bright for a bank, and they reminded me that I wasn't selling burgers or petrol," remembers Tan Sri Azman, with his trademark chuckle. "I argued that we were selling services and our identity had to compete in a visually-saturated environment." He remains very pleased with the decision, saying whenever logos are grouped together, for example as sponsors of a public event, "our logo always stands out".

As his Executive Vice President of Group Corporate Communications and Marketing says, Tan Sri Azman is "our chief brand manager". "He is our brand architect."

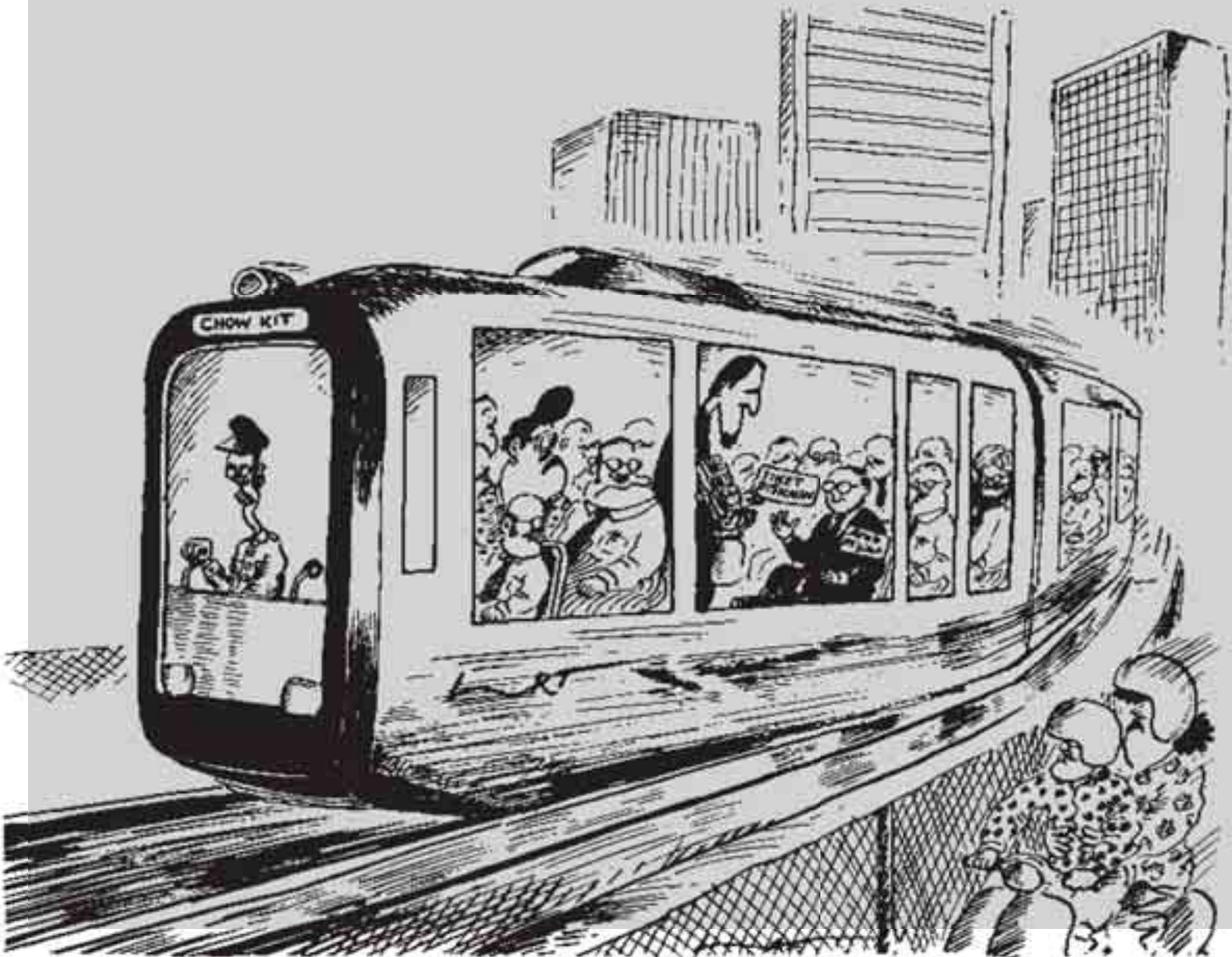


1 The rebranded AmBank Group, 2002.

2 – 4 AmBank launched a group brand repositioning on 19 September 2013.



ARAB-MALAYSIAN MERCHANT BANK
has been appointed financial adviser
to STLR Sdn Bhd - a company which
will be responsible for the
Light Rail Transit system
for Kuala Lumpur.



Of Nation- Building

Chapter

4

Through building a bank, Tan Sri Azman has contributed immeasurably towards the financial growth of the nation. The services AmBank has rendered to businesses, from microenterprises to conglomerates, as well as government agencies are too extensive to enumerate. Suffice to say that, over the years, numerous captains of industry have noted their heartfelt appreciation for the consistently steady support they have received from Tan Sri and the group.



In addition, his ability to see the bigger picture has been instrumental in helping to shape economic policy as well as contribute towards the nation's economic development. Two key areas that he helped to institutionalise were privatisation and the development of Islamic banking.



- 1 Signing a JV agreement on Hotel Equatorial Bangi, 1994.
- 2 Signing ceremony for the First All Malaysian Leverage Lease Facility, 1984.
- 3 Tan Sri Francis Yeoh and Johari Low shaking hands on a term loan for the construction of Plaza Yeoh Tiong Lay, 1985.
- 4 AMMB signing on as manager of a RM40 million Syndicated Term Loan for the Johor State Economic Development Corporation, 1986.



PRIVATISATION

From as early as 1984, Arab-Malaysian Development bank was requested to conduct a study on the potential privatisation of Jabatan Telekom (today Telekom Malaysia, or TM). The country's Prime Minister at the time, Tun Dr Mahathir Mohamad, was a keen proponent of privatisation believing it would spur greater efficiencies and productivity. In recognition of Tan Sri's experience and understanding of the private sector, in 1988, the bank was appointed to advise the government on a national privatisation programme. Two years later, led by Dato' Malek Merican, the bank underwrote TM's initial public offering (IPO), which drew over RM1.5 billion making the telecommunications company one of the biggest stocks on the bourse. TM was the first in a series of government-controlled entities to go private.



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Telekom shares expected to be listed in early November

TELEKOM MALAYSIA shares are expected to be listed on the KL Stock Exchange in the beginning of November, banking sources said.

Sentiment is good in Kuala Lumpur and companies being listed are registering better price earnings (PE) ratios in Malaysia than in Singapore.

Arab Malaysian Merchant Bank (AMMB) managing director Yusoff Mohd Meri said.

The prospectus will be issued at the end of the month, Telekom executive chairman Tan Sri Hashdan Bahr said.

Datuk Malek said the public would have enough time to subscribe for Telekom, as funds will be returned to the public in time after the close of applications for subscription of 500m shares (Sept 28), Leong Seng (Sept 27) and Sengap (Sept 18).

The two men were speaking after the signing of an underwriting agreement for the public issue of Telekom shares.

Datuk Malek said the public would have two weeks' subscription period.

Adding that foreign equity of Telekom shares had been fixed at 25 per cent, he said placement of shares to international investors was made by the Treasury.

He explained the decision to offer 25 per cent was the Government's demand on new privatised exercises.

Neither the merchant bank nor Telekom and MANAGING UNDERWRITERS LAMBTON MERCHANT BERH

Tan Sri Azman (left) and Tan Sri Rashdan exchanging documents after the signing ceremony yesterday.

30 million shares at S7 a piece.

As far as the offer price to the Malaysian public, Tan Sri Hashdan said S7 apiece was a "fair price."

AMMB chairman Tan Sri Azman Hashim said the pricing translated to a PE of 14.1 times for this year and 10.7 times for next year.

He said this largest issue in Malaysian corporate history would add S10 billion or eight per cent to market capitalisation.

The issue of 470.5 million shares will represent 23.9 per cent of the enlarged paid-up capital of Telekom.

The issue will be allocated thus:

- 100 million shares for domestic institutions and investors approved by the Trade and Industry Ministry;
- 132.1 million shares for approved institutions;
- 70.3 million shares for eligible directors and employees; and
- 147.9 million shares for the Ma-

The Star, 18 September 1990

1

Tan Sri Azman and Tan Sri Rashdan at the signing of an underwriting agreement for the public issue of Telekom shares.

2

The headquarters of Jabatan Telekom Malaysia, which was privatised on 1 January 1987, forming Syarikat Telekom Malaysia.

The Star, 13 September 1990.

Telekom expects listing next month

THE listing of Telekom Malaysia (TM) shares is expected to be completed by the end of the month, sources said.

Telekom executive chairman Tan Sri Hashdan Bahr said.

AMMB chairman Tan Sri Azman Hashim said the pricing translated to a PE of 14.1 times for this year and 10.7 times for next year.

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- 132.1 million shares for approved institutions;
- 70.3 million shares for eligible directors and employees; and
- 147.9 million shares for the Ma-

Telekom's mega listing

KL STOCK MARKET

MACRO VIEW

By J. Wang

THE listing of STM shares last week was a landmark in several respects. For one thing, STM's listing marks the first steps listing of a government utility in the stock market (many are to come soon). The sheer size of the corporation will have many an analyst figuring out its impact on statistics for equity a while.

Given the size of STM's listing against the current overall size of the market, STM's size and performance will have a significant impact on overall market statistics.

In other words, STM's listing will impact all ratios which are currently used by analysts to the extent that the impact may have a "masking" effect due to its sheer size.

Given the history of STM's role as a government monopoly, the listing of STM marks the ending of government telecommunications about 20 years and will be a very long period of time.

The listing of such mega share of assets into the capital market will no doubt add to the "mass" or "value" stature of the market.

The addition of such high asset value into the market may have the positive impact on some vital asset value measurement ratios. For one thing, total market value or market capitalisation will jump significantly.

The addition of STM to the market added something like 12 per cent to market value or the equivalent of pumping up market value by 10.5 per cent.

The market valuation of STM at Friday close at S5.95 gives STM a high MC ratio when compared to the overall average market MC ratio. At an MC ratio of 2.263 times net worth, STM's MC ratio has the impact of increasing the overall market MC ratio.

Another point with the entry of STM in the market is that the market is now much larger in terms of paid-up capital and net worth — hence increasing the number of shares available in the market place.

The factor is something like a double-edged knife.

Large foreign players have always complained of a lack of shares to be traded in when they were their massive funds around the globe in search of tradeable and investable companies.

The counter side of this factor is that in the ab-

sence of foreign players, the issue of such mega share issue may be far too small for local investors to digest hence leading to indifference and lethargy in the market place.

The asset boosting impact of the STM listing is, however, largely positive.

The counter balance to these positive points lies in the area of future performance of STM. The performance of STM will have a significant impact on all the market performance measures and ratios.

One thing clear about the STM issue is that its newly listed corporation will have a long way to go before it can even catch up with the overall market performance ratios.

Granted that STM's history has been one of a government corporation with a weak financial and a public utility in operation at little or no profit, its entry into the market means that it will have to measure by market performance standards.

How the corporation will gear up to meet these market standards — only time will tell.

In performance terms, STM with a paid-up of approximately S1 billion, share premium and share reserves amounting to another S2.2 billion approx, it will have to improve its performance significantly before it can measure up to overall market averages.

This would mean that STM, with a net worth of S3.2 billion amounting to approximately 5.8 per cent of the total market's enlarged net worth, will have a challenging task ahead given its past performance.

With last year's turnover at S2.24 billion, it would mean that STM's efficiency on net worth employed is approximately S2.24 net worth for every dollar of shareholders' funds at work.

SEE NEXT PAGE

The Star, 12 November 1990.



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- 1 Receiving the Islamic Finance Pioneering Miniature Award from the Islamic Banking and Finance Institute Malaysia (IBFIM).
- 2 With BNM Governor Tan Sri Dato' Sri Dr Zeti Akhtar Aziz at the launch of Amlslamic Bank, 2006.
- 3 Minister of International Trade and Industry Dato' Sri Mustapa Mohamed presenting the Jewels of the Muslim World Award to Tan Sri Azman Hashim at the OIC Jewels of the Muslim World Awards 2013.





Source:Client [Low Res]



ISLAMIC BANKING

In 1983, Tan Sri Azman was elected to sit in the National Steering Committee set up to establish Malaysia's first Islamic bank, Bank Islam Malaysia Berhad. The committee had various sub-committees, and he chaired the Sub-Committee on Islamic Banking Operations. The idea was not just to set up an Islamic bank; it was to pave the way for a robust Islamic financial industry, one that would attract customers from across all cultural backgrounds and account for at least 20 percent of the total banking industry's assets. This goal was met fairly quickly, leading to a new target of 40 percent under the Financial Sector Blueprint 2011-2020. This, too, has been met with contributions from 16 Islamic banks. AmBank itself set up AmIslamic Bank Berhad on 1 May 2006, which reached the bank's own 20 percent (total assets) goal in two years, with a majority of customers being non-Muslim.

Subsequently, Tan Sri became Chairman of the Islamic Banking and Finance Institute Malaysia Sdn Bhd (IBFIM) and a member of the International Centre for Education in Islamic Finance (INCEIF). Today, Malaysia is widely regarded as a global leader in Islamic finance.



INTERNATIONAL STATESMAN

Tan Sri Azman's easy manner with others coupled with his entrepreneurial instincts were not lost on Tun Dr Mahathir, who appointed him head of the Malaysia South-South Association (MASSA) when it was established in 1991. The agenda was to establish closer ties with other Third World countries and help each other with economic growth. Under the aegis of MASSA, Tan Sri travelled widely as Head of the Private Sector Delegation, following Tun Mahathir across Eastern Europe, Latin America, Africa, Asia and Oceania with large groups of businessmen and government officials.





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Travelling together for long periods resulted in good networking and the development of strong ties among the businessmen

“The travelling was often time-consuming and exhausting, but it was worth it because it allowed us to establish face-to-face relationships with our counterparts in other countries. The presence of ministers, senior government officials and business leaders showcased the close cooperation between our public and private sectors; and finally, the dynamism of our Prime Minister in leading the delegation was really the best testimonial of Malaysia’s vitality,” Tan Sri is quoted as saying in his soon-to-be-published autobiography.

The most significant outcome was to force Malaysian businessmen out of their comfort zones. Most at the time were happy conducting business within local shores. It was only because of the trade missions that they started to venture overseas.

- 1 Accompanying Tun Dr Mahathir Mohamad as Head of Business Delegation to the People’s Republic of China, 1993.
- 2 Celebrating MASSA’s 10th anniversary with Tun Dr Mahathir Mohamad and Tun Dr Siti Hasmah, 2002. (Bernama photo)
- 3 MASSA & MASSCORP 27th anniversary dinner on 11 November 2018.
- 4 With President of the Republic of China (Taiwan) Ma Ying-jeou at the International Conference on Productivity and Sustainable Inclusive Development in Asia Pacific, 2012.
- 5 Shaking hands with US President Barack Obama as Deputy Prime Minister Tan Sri Dato’ Haji Muhyiddin bin Mohd Yassin looks on at the APEC Leaders Meeting in Japan, 2010. (Bernama photo)



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Tan Sri Azman made the most of these trips to strengthen his network as well as to visit natural wonders and heritage sites that he may otherwise never have got to see. That he was in his element on these missions was evident in an anecdote he relates. At an official dinner in Iran, he was giving a speech in which he cracked a joke about Uzbekistan. "I then immediately received a hand-written note from Dr Mahathir saying, 'Stop making jokes about other countries!'"

Tan Sri has continued to be President of MASSA as well as Chairman of Malaysian South-South Corporation Berhad (MASSCORP), its investment arm, since 1991.

Because of the natural affinity he felt for Japan, and the fact that he had a Japanese partner (Tokai Bank) in the bank, he was also the natural choice to head bilateral organisations set up to promote more trade and investment between Malaysia and its eastern neighbour. Accordingly, in 1977, he was made Vice-President then, in 2001, President of the Malaysia-Japan Economic Association (MAJECA), a position he holds till today. As with the MASSA missions, he thoroughly enjoyed his trips to Japan and readily admits to being a big fan of Japanese culture (such as sumo wrestling) as well as its cuisine.



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Regionally, too, Tan Sri Azman has played an important role in cementing political as well as economic ties through leadership positions in various organisations. The list includes the East Asia Business Council (EABC), the Pacific Basin Economic Council (PBEC, where he continues to be the Chairman Emeritus) and APEC Business Advisory Council (ABAC), from 1999 to 2017, among others.

- 1 With the late YM Raja Tan Sri Mohar Raja Badiozaman, President of MAJECA, at the 11th Annual Conference of the Malaysia-Japan and Japan-Malaysia Economic Association (MAJECA-JAMECA), 1988.
- 2 Tun Dr Mahathir Mohamad sharing a light moment with Tan Sri Azman Hashim, the late Tan Sri K. Suzuki (third from right) and the late Tan Sri Wong Tok Chai from Amoy Canning (extreme right) at the conference.
- 3 – 4 MAJECA-PIKOM Webinar on Cyber Security - 18 August 2021.
- 5 East Asia Business Council-Regional Comprehensive Economic Partnership (EABC-RCEP) Webinar on Trade Tool for Business Recovery in East Asia.

EDUCATION & LIFELONG LEARNING

Because of his firm belief in the importance of education, Tan Sri has made it the focus of the foundation he established in 1991, Yayasan Azman Hashim. “There’s always a need to support education and I personally find it a meaningful endeavour. You are developing people and you are helping them become valuable citizens who can contribute to the country,” he says.

Since its inception, the Foundation has contributed in many different ways to many educational institutions. In 2016, it pledged RM30 million to Universiti Teknologi Malaysia (UTM) to aid students with financial problems as well as for further development of the institution. In recognition of his contributions, in 2018, UTM named its International Business School after Tan Sri Azman. Other beneficiaries of Yayasan Azman Hashim include Tan Sri’s former school, Methodist Boys’ School in Sentul (which was rewired, upgraded and had a new building as well as canteen built), the International Islamic University Malaysia (which received a new hall, banking space and scholarship funds), Universiti Sains Malaysia (sports complex) and Universiti Kebangsaan Malaysia Bangi (pavilion and turf field).



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As this tribute is being written, another one of the Foundation's projects has just been completed. This is a RM15 million art gallery in Universiti Malaysia Sabah (UMS). Overlooking the South China Sea, the gallery features exhibition halls, seminar rooms and a conservatory, among others.

- 1 Launch of Azman Hashim International Business School, 2018.
- 2 The newly-completed UMS gallery.
- 3 Making a contribution to his alma mater the Methodist Boys' School in Sentul.

Tan Sri Azman Hashim

at the launch of the
Azman Hashim Gallery in UMS, 2015





Savers' G.A.N.G. Cyber Workshop organised by AmBank to increase computer literacy, 1997.



Sharing a light moment during the National Launch of FINCO Programmes 2019, with then Minister of Education, Dr Maszlee Malik and FINCO CEO Ms. Clare Walker.

Tan Sri also chairs the Financial Industry Collective Outreach (FINCO), established by financial institutions in Malaysia to provide underprivileged children and youth with the guidance and educational tools they need to achieve their life goals.

In addition, he is Pro-Chancellor of Open University Malaysia (OUM) and UMS. In his convocation addresses, he likes to emphasise five things that he believes are important: good health, good values such as honesty and integrity, family unity, lifelong learning, and English proficiency (“because it is widely used in business and elsewhere”).

Speaking at a recent convocation ceremony at UMS, he told the cohort of students that graduation does not mark the end of education; instead “it marks the next phase in your learning process. Learning is a lifelong thing.” He went on to add that a lot of things he learned in his youth are no longer relevant, and that over the years he has had to constantly pick up new things in order to stay relevant. “In the world of business and economics, I have to learn about the world of cyberspace, cyber security, artificial intelligence (AI), cryptocurrencies, bitcoins, computing, drones, aerial spraying and food delivery...”¹

At the industry level, he plays a key role in ensuring the continuous learning and professional development of bankers via Chairmanship of the Asian Institute of Chartered Bankers (AICB) and Asian Banking School (ABS).

¹ <https://www.thestar.com.my/news/nation/2022/03/28/ums-graduates-told-to-improve-english-proficiency>



Opening the first AmIslamic on-campus branch, in IIUM.



Attending the graduation ceremony of FSTEP Batches 20 and 21, 2021.



Tan Sri Azman Hashim signing a plaque at the launch of the Azman Hashim USM Sports Arena.



Presenting scrolls to graduates at their convocation ceremony as Pro-Chancellor of Open University Malaysia.



Launch of the Azman Hashim Complex in IIUM.



Speaking to some 2,000 graduates from the 2020 and 2021 cohorts of Open University Malaysia at a Special Convocation held at the World Trade Centre Kuala Lumpur, February 2022.



Presenting a RM5 million Perpetual Endowment Property Fund to IIUM.



20 students received the Azman Hashim - IIUM Ummatic Scholarship on 1 October 2019.



The Azman Hashim Complex was built with a RM7 million contribution from Yayasan Azman Hashim.



UTM named its International Business School after Tan Sri Azman Hashim in March 2018.

PERDANA LEADERSHIP FOUNDATION

Linked to education is leadership development, another area of interest to Tan Sri. He was among a group of some 30 businessmen who got together to create a foundation to promote leadership and an understanding of the country's leaders (notably its prime ministers) and their ideologies. The idea came about when Tun Dr Mahathir announced his aim to retire. Chartered in 2003, the Perdana Leadership Foundation was initially helmed by former Petronas Chairman Tun Azizan Zainul Abidin as its first Chairman. Tan Sri took over as the second Chairman the very same year and has continued to lead the Foundation since. Today, the Foundation organises a series of lectures on social, political and economic issues while continuing to serve as an important resource centre on government policy and strategy.



PERDANA LEADERSHIP FOUNDATION YAYASAN KEPIMPINAN PERDANA

Attending a Perdana Leadership Foundation Board of Trustees meeting and Annual General Meeting as its Chairman, 2020.



Perdana Leadership Foundation Virtual CEO Forum 2021.



1

Tan Sri Azman Hashim with the beneficiaries of the AmBank Community Programme in Menggatal, Sabah, 2014.

2

Tan Sri Azman Hashim with the recipients of the AmBank AmKasih Programme.



AMGROUP FOUNDATION

Of course, the group too has its own foundation – AmGroup Foundation – focused on making a meaningful difference to marginalised communities and those who are underprivileged or underserved. The Foundation has a number of long-term programmes such as the AmBank-MyKasih Community Programme through which low-income families are empowered. It has also adopted various causes, such as the Kechara Soup Kitchen which distributes food to the homeless and urban poor. In addition, the Foundation provides relief assistance in the event of floods and other natural disasters. Inspired by Tan Sri, there is a strong ethos of volunteerism in AmBank, reflecting the bank's genuine desire to serve.

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Donating a van to the Kechara Soup Kitchen (KSK), 2014.

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Serving the homeless at the Kechara Soup Kitchen as KSK President Dato' Ruby Khong and KSK patron Dr Victor Wee look on, 2010.

SINGING TO PRISONERS & OTHER CONTRIBUTIONS

While we have described a number of ways in which Tan Sri Azman has contributed to the nation and society, the list above is far from exhaustive. The appendix of a book written about him by Datuk Dr Paddy Bowie, called *The Entrepreneur Banker*, itemises close to 30 organisations linked with social and economic empowerment in which Tan Sri plays an active role, often in a leadership position. To end this chapter, we provide a sprinkling of some of his more unusual or perhaps unexpected roles.

Since 1996, Tan Sri has served as President of the Kelab Sahabat Penjara (Malaysian Prisons FRIENDS Club), which was set up to help channel inmates' energy into wholesome activities while also preparing them to integrate back into society upon their release. Among various events organised are inter-prison

Presenting prizes to winners of the National Sports and Cultural Carnival for Prisoners held at the Bentong Complex Prison in Pahang, 2011.





sports days and cultural shows in which the inmates themselves are encouraged to perform. Tan Sri is known to bring along a group of singers to these carnivals and even to perform with them... much to the delight of the prisoners. Somewhat related, he was also a member of the Malaysia Crime Prevention Foundation (MCPF) committee for 14 years until 2008.

Singing at the National Sports and Cultural Carnival for Prisoners at the Bentong Complex Prison, 2011.

At the National Sports and Cultural Carnival for Prisoners 2020.



Though he has no professional knowledge of medicine, his staunch belief in the importance of good health saw him being nominated as President of the Malaysian Medical Association Foundation (MMAF) for 12 years, taking over from Tun Dr Siti Hasmah Mohamad Ali at her request in 1991. In 2005, he was made an honorary member of the MMA, becoming the first non-medical practitioner to be conferred the honour.

An avid art collector – he personally selected the 300 or so paintings in the AmBank Group art collection – Tan Sri was elected Chairman of the Board of Trustees of the National Art Gallery from 1984 to 1991. His main objective was to create greater awareness and appreciation of art in general in order to promote Malaysian artists. In his autobiography, he explains his love for art. “Art is a reflection of ourselves, our past and maybe even our future. The best art teaches us something about ourselves.”





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- 1 Explaining AmBank Group's art pieces at the International Art Expo 2014 to the Raja Muda Perlis and Raja Puan Muda Perlis, DYTM Tuanku Syed Faizuddin Putra Ibni Tuanku Syed Sirajuddin Jamalullail and DYTM Tuanku Hajjah Lailatul Shahreen Akashah Khalil, as well as other VIP guests.
- 2 Tan Sri Azman entertaining guests with jazz standards from the American Songbook era in conjunction with the Kuala Lumpur International Jazz and Arts Festival 2014 (KLIJF). Among others, he was accompanied by saxophonist Keith Loftis from New York.
- 3 The late Tunku Abdul Rahman opening the Post Merdeka Architecture Exhibition and Gallery as Tan Sri Azman Hashim and the late Datuk Syed Ahmad Jamal (second from left), then Chairman and Director General of the National Art Gallery, respectively, look on, 1987.
- 4 From left: then Kuala Lumpur Datuk Bandar Tan Sri Dato' Dr Elyas Omar, Tan Sri Datuk Seri Shahrir bin Abdul Samad, Tan Sri Azman Hashim and Tan Sri Dato' Dr L. Krishnan supporting the Kuala Lumpur Arts Festival, 1985.

♪ You are always ♪
on my mind ♪



Next Up

Chapter

5

Over the years, AmBank has managed to overcome all manner of crisis to grow from strength to strength. In the last three years, for example, it has continued to record healthy growth despite all businesses being hit hard by the pandemic, including banking. That the bank is robust and resilient – it is the sixth largest banking group by assets in the country – is due in no small measure to its fundamentals. These, in turn, have been built by the man at the helm – Tan Sri Azman Hashim.



The Edge Malaysia, 31st January 2022

- 1 Attending a conferment ceremony as Chairman of the Asian Institute of Chartered Bankers, 2021.
- 2 MOU between Yayasan Peneraju Pendidikan Bumiputera and the Asian Institute of Chartered Bankers (AICB).
- 3 AICB moved into its RM10 million new home in 2020.



Having seen the bank through the latest crisis, Tan Sri is confident of it continuing to chart a positive course on its own. So much so that, early this year he caused a bit of a stir in the industry when he announced his plan to retire as Chairman. In a report in *The Edge*, he explained that it was not a sudden decision, but something that he had been dwelling on for a while, saying: "It's an appropriate time. I am already 83 years old."

He adds that the bank is on a good footing to move forward. "It has everything in place – strong resources, good management. It has no baggage. My wish is for it to move to further levels of success." Still with 11.8 percent equity in the Group, however, he is not relinquishing his hold completely, but will continue as Chairman Emeritus and Honorary Adviser.

Meanwhile, he continues to be involved in a number of associations – among others, he is Chairman of the Asian Institute of Chartered Bankers, Asian Banking School, and Perdana Leadership Foundation. Through his listed companies, Amcorp Properties Berhad (now privatised) and RCE Capital Berhad, meanwhile, he is still involved in diverse businesses, from renewable energy to property (locally and in London, Shanghai, Spain...). "I still control these companies, I've got to oversee them," he says.

Throughout his stellar career he has always maintained that one should carve a livelihood in an area of genuine interest so that work is a source of pleasure rather than pain. Yet, even in his life, one can distinguish between work and non-work interests. And while he has plenty of the former to keep busy, he also continues to take part in a number of non-entrepreneurial pursuits. As mentioned earlier, he is still taking golf lessons from a pro, and still practising with the University of Malaya Big Band. At the time of print, the band was gearing up for an upcoming corporate dinner.

He also admits to being an “avid TV watcher” who can easily get distracted from sleep by documentaries. There are so many good documentaries on history and geography, he notes. As always, the avid learner.

Tan Sri Azman Hashim continues to take golfing lessons to reduce his handicap.





Tan Sri Azman Hashim thoroughly enjoys performing with The Big Band.



Keeping in touch with the Class of 1954.

Tan Sri has always enjoyed life to the fullest, and one gets the impression he will continue to do so for many years to come. Despite the heady successes and having mingled with world leaders, he has kept in contact with old friends from Kampung Baru, from school, from Perth... and continues to meet them regularly. Like his favourite humourist, Lat, he could be called a kampung boy at heart. There is a charming simplicity about him. More than anything, he would like to be a good husband, a good father and grandfather, and good friend. The good life to him is about serving, about being good to others.

To repeat a line mentioned earlier, "If I can make somebody happy every day, that's enough."





*Tan Sri Azman Hashim
& Tunku Arishah*

50th Wedding Anniversary





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1 Tunku Arishah and Tan Sri Azman take to the floor for the first dance at their 50th wedding anniversary, 2013.

2 Tan Sri Azman and Tunku Arishah with members of the family.

3 Tan Sri Azman and Tunku Arishah sharing a quick peck before cutting their cake.

4 Three-generational family portrait, 2000.

5 Tan Sri Azman and family at his 80th birthday, celebrated at EQ Kuala Lumpur.



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This book could not have been produced if not for the efforts of different parties, whom the Management of AmBank would like to acknowledge. First and foremost, we would like to thank the Editorial Committee for collating information on Tan Sri Azman Hashim and providing this to the writer. The Editorial Committee also scoured our archives to try to unearth photos of our former Chairman that have not been published before.

Much information on Tan Sri Azman was already available in *The Entrepreneur Banker*, a book written by the late Datuk Dr Paddy Bowie and published in 2014. We would like to acknowledge this important source of data, which was distilled and repackaged for the purpose of the current tribute book.

As always, Tan Sri Azman himself took a personal interest in the project and we would like to note our appreciation for the time that he set aside to be interviewed for this book; as well as for his subsequent reading through and vetting of its contents.

Most of the photos in this book have been taken from *The Entrepreneur Banker*, and *Berita AmBank Group*, our newsletter. Other photos have been sourced from the media, as indicated on the relevant pages. The Lat comics, meanwhile, have been reproduced from our newsletter as well as *Lat – A Collection of Cartoons, 1984-1991*, an earlier coffee table book printed in 2012.

