

Company No: 14389-U

Affin Hwang Investment Bank Berhad
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES
for the financial period ended 30 June 2019

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

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The following table depicts the risk weighted assets ("RWA") and regulatory capital requirements:

Table 1: Risk-Weighted Assets and Capital Requirements

The Group

As at 30 June 2019	Gross exposures RM'000	Net exposures RM'000	Risk Weighted Assets RM'000	Capital requirements RM'000	
(i) Credit risk					
Exposure Class					
<u>On-Balance Sheet Exposures</u>					
Sovereigns/Central Banks	3,254,644	3,254,644	4,272	342	
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	1,031,560	1,031,560	223,359	17,869	
Insurance Companies, Securities Firms & Fund Managers	1,601	1,601	1,601	128	
Corporates	2,457,786	2,457,786	1,469,630	117,570	
Regulatory Retail	435,321	5,846	4,385	351	
Other Assets	381,977	381,977	381,818	30,545	
Defaulted Exposures	123,728	123,728	180,321	14,426	
Total for on-balance sheet exposures	7,686,617	7,257,142	2,265,386	181,231	
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") derivatives	185,259	185,259	77,185	6,175	
Non-OTC Derivatives	65,133	65,133	55,133	4,411	
Total for off-balance sheet exposures	250,392	250,392	132,318	10,586	
Total credit risk exposures	7,937,009	7,507,534	2,397,704	191,817	
(ii) Large exposures risk requirements					
	-	-	-	-	
(iii) Market risk					
	Gross exposures		Net exposures	Risk Weighted Assets	Capital requirements
	RM'000		RM'000	RM'000	RM'000
	Long Position	Short Position			
	RM'000	RM'000			
Interest rate risk	8,323,442	8,143,590	179,853	164,856	13,188
Foreign currency risk	3,406,203	3,430,488	(24,285)	100,215	8,017
Equity risk	27,104	1,296	25,808	74,518	5,961
Option	-	-	-	-	-
Total market risk exposures	11,756,749	11,575,374	181,376	339,589	27,166
(iv) Operational risk					
			Risk Weighted Assets	Capital requirements	
			RM'000	RM'000	
Operational risk			907,685	72,615	
Total risk-weighted assets and capital requirements			3,644,978	291,598	

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Table 1: Risk-Weighted Assets and Capital Requirements (Continued)

The Bank

As at 30 June 2019	Gross exposures RM'000	Net exposures RM'000	Risk Weighted Assets RM'000	Capital requirements RM'000
(i) Credit risk				
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,254,644	3,254,644	4,272	342
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	426,933	426,933	85,387	6,831
Insurance Companies, Securities Firms & Fund Managers	1,601	1,601	1,601	128
Corporates	2,379,301	2,379,301	1,394,124	111,530
Regulatory Retail	435,321	5,846	4,385	351
Other Assets	181,511	181,511	181,473	14,518
Defaulted Exposures	123,728	123,728	180,321	14,426
Total for on-balance sheet exposures	6,803,039	6,373,564	1,851,563	148,126
<u>Off-Balance Sheet Exposures</u>				
Over-the-counter ("OTC") derivatives	185,259	185,259	77,185	6,175
Non-OTC Derivatives	65,133	65,133	55,133	4,411
Total for off-balance sheet exposures	250,392	250,392	132,318	10,586
Total credit risk exposures	7,053,431	6,623,956	1,983,881	158,712
(ii) Large exposures risk requirements				
	-	-	-	-
(iii) Market risk				
	Gross exposures		Net exposures	Risk Weighted Assets
	RM'000		RM'000	RM'000
	Long Position	Short Position		
	RM'000	RM'000		
Interest rate risk	8,302,691	8,122,912	179,779	164,856
Foreign currency risk	3,307,560	3,409,810	(102,250)	104,449
Equity risk	27,104	1,296	25,808	74,518
Option	-	-	-	-
Total market risk exposures	11,637,355	11,534,018	103,337	343,823
(iv) Operational risk				
			Risk Weighted Assets	Capital requirements
			RM'000	RM'000
Operational risk			458,053	36,644
Total risk-weighted assets and capital requirements			2,785,757	222,861

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Table 1: Risk-Weighted Assets and Capital Requirements (Continued)

The Group

As at 31 December 2018	Gross exposures RM'000	Net exposures RM'000	Risk Weighted Assets RM'000	Capital requirements RM'000
(i) Credit risk				
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,388,898	3,388,898	4,030	322
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	665,686	665,686	135,108	10,809
Corporates	2,830,285	2,830,285	1,660,576	132,846
Regulatory Retail	342,135	5,492	4,119	330
Other Assets	263,629	263,628	231,397	18,512
Defaulted Exposures	89,659	89,659	133,437	10,675
Total for on-balance sheet exposures	7,580,292	7,243,648	2,168,667	173,494
<u>Off-Balance Sheet Exposures</u>				
Over-the-counter ("OTC") derivatives	147,938	147,938	66,794	5,344
Non-OTC Derivatives	101,761	101,761	101,761	8,141
Total for off-balance sheet exposures	249,699	249,699	168,555	13,485
Total credit risk exposures	7,829,991	7,493,347	2,337,222	186,979

(ii) Large exposures risk requirements

(iii) Market risk	Gross exposures		Net exposures	Risk Weighted Assets	Capital requirements
	RM'000		RM'000	RM'000	RM'000
	Long Position RM'000	Short Position RM'000			
Interest rate risk	5,537,983	5,485,421	52,562	143,981	11,518
Foreign currency risk	2,225,461	2,152,273	73,187	144,650	11,572
Equity risk	21,153	52	21,101	58,170	4,654
Option risk	-	-	27,000	37,125	2,970
Total market risk exposures	7,784,597	7,637,746	173,850	383,926	30,714

(iv) Operational risk	Risk Weighted Assets	Capital requirements
	RM'000	RM'000
Operational risk	878,448	70,276

Total risk-weighted assets and capital requirements	3,599,596	287,969
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Table 1: Risk-Weighted Assets and Capital Requirements (Continued)

The Bank

As at 31 December 2018	Gross exposures RM'000	Net exposures RM'000	Risk Weighted Assets RM'000	Capital requirements RM'000
(i) Credit risk				
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,388,898	3,388,898	4,030	322
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	238,707	238,707	47,742	3,819
Corporates	2,785,350	2,785,351	1,618,610	129,489
Regulatory Retail	342,135	5,492	4,119	330
Other Assets	151,411	151,411	119,256	9,540
Defaulted Exposures	89,659	89,659	133,437	10,675
Total for on-balance sheet exposures	6,996,160	6,659,518	1,927,194	154,175
<u>Off-Balance Sheet Exposures</u>				
Over-the-counter ("OTC") derivatives	147,938	147,938	66,794	5,344
Non-OTC Derivatives	101,761	101,761	101,761	8,141
Total for off-balance sheet exposures	249,699	249,699	168,555	13,485
Total credit risk exposures	7,245,859	6,909,217	2,095,749	167,660

(ii) Large exposures risk requirements

(iii) Market risk	Gross exposures		Net exposures RM'000	Risk Weighted Assets RM'000	Capital requirements RM'000
	RM'000				
	Long Position RM'000	Short Position RM'000			
Interest rate risk	5,537,983	5,485,421	52,562	143,980	11,518
Foreign currency risk	2,125,587	2,172,913	(47,326)	50,275	4,022
Equity risk	21,153	52	21,101	58,170	4,654
Option risk	-	-	27,000	37,125	2,970
Total market risk exposures	7,684,723	7,658,386	53,337	289,550	23,164

(iv) Operational risk

	Risk Weighted Assets RM'000	Capital requirements RM'000
Operational risk	457,468	36,597
Total risk-weighted assets and capital requirements	2,842,767	227,421

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Table 2: Constituents of Eligible Capital and Capital Adequacy Ratios

	The Group		The Bank	
	30.06.2019 RM'000	31.12.2018 RM'000	30.06.2019 RM'000	31.12.2018 RM'000
Common Equity Tier (CET) 1 Capital :				
Share capital	999,800	999,800	999,800	999,800
Foreign exchange translation reserve	593	593	-	-
Retained profit	558,544	478,948	525,867	460,221
Unrealised gains on FVOCI instruments	69,933	3,968	69,878	3,913
	<u>1,628,870</u>	<u>1,483,309</u>	<u>1,595,545</u>	<u>1,463,934</u>
Less : Regulatory adjustment				
Goodwill and Intangible assets	(322,860)	(323,102)	(315,838)	(315,963)
Investment in subsidiaries	-	-	(131,384)	(131,384)
Regulatory reserve	(27,688)	(28,357)	(27,688)	(28,357)
55% of unrealised gains on FVOCI instruments	(38,464)	(2,183)	(38,433)	(2,152)
Deferred tax assets	(3,700)	(26,597)	-	(14,506)
Total CET 1 Capital	<u>1,236,158</u>	<u>1,103,070</u>	<u>1,082,202</u>	<u>971,572</u>
Additional Tier 1 Capital				
Qualifying non-controlling interests	21,666	19,783	-	-
Tier 1 Capital	<u>1,257,824</u>	<u>1,122,853</u>	<u>1,082,202</u>	<u>971,572</u>
Tier 2 capital				
Expected Credit Loss for Financial Assets	29,971	29,215	24,799	26,197
Total Tier 2 capital	<u>29,971</u>	<u>29,215</u>	<u>24,799</u>	<u>26,197</u>
Total Capital	<u>1,287,795</u>	<u>1,152,068</u>	<u>1,107,001</u>	<u>997,769</u>
Proposed dividends	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Capital Ratio				
CET 1 capital ratio	33.914%	30.644%	38.848%	34.177%
Tier 1 capital ratio	34.508%	31.194%	38.848%	34.177%
Total capital ratio	35.331%	32.005%	39.738%	35.099%
CET 1 capital ratio (net of proposed dividends)	32.268%	30.644%	36.694%	34.177%
Tier 1 capital ratio (net of proposed dividends)	32.862%	31.194%	36.694%	34.177%
Total capital ratio (net of proposed dividends)	33.685%	32.005%	37.584%	35.099%
Credit risk	2,397,704	2,337,222	1,983,881	2,095,749
Market risk	339,589	383,926	343,823	289,550
Operational risk	907,685	878,448	458,053	457,468
Total RWA	<u>3,644,978</u>	<u>3,599,596</u>	<u>2,785,757</u>	<u>2,842,767</u>

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4.1 Distribution of Credit Exposures

- (i) The following table depicts the geographical distribution of the Bank's gross credit exposures, based on the country of incorporation or residence:

Table 3: Gross Credit Exposures by Geographic Distribution

The Group			
As at 30 June 2019	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,254,644	-	3,254,644
Banks, DFIs & MDBs	1,025,805	5,755	1,031,560
Insurance Companies, Securities Firms & Fund Managers	1,601	-	1,601
Corporates	2,421,918	35,868	2,457,786
Regulatory Retail	435,321	-	435,321
Other assets	381,977	-	381,977
Defaulted Exposures	108,741	14,987	123,728
Total On-Balance Sheet Exposures	7,630,007	56,610	7,686,617
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	185,259	-	185,259
Non-OTC Derivatives	65,133	-	65,133
Total Off-Balance Sheet Exposures	250,392	-	250,392
Total Gross Credit Exposures	7,880,399	56,610	7,937,009
The Bank			
As at 30 June 2019	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,254,644	-	3,254,644
Banks, DFIs & MDBs	426,933	-	426,933
Insurance Companies, Securities Firms & Fund Managers	1,601	-	1,601
Corporates	2,352,335	26,966	2,379,301
Regulatory Retail	435,321	-	435,321
Other assets	181,511	-	181,511
Defaulted Exposures	108,741	14,987	123,728
Total On-Balance Sheet Exposures	6,761,086	41,953	6,803,039
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	185,259	-	185,259
Non-OTC Derivatives	65,133	-	65,133
Total Off-Balance Sheet Exposures	250,392	-	250,392
Total Gross Credit Exposures	7,011,478	41,953	7,053,431

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Table 3: Gross Credit Exposures by Geographical Distribution (Continued)

The Group			
As at 31 December 2018	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,388,898	-	3,388,898
Banks, DFIs & MDBs	659,931	5,755	665,686
Corporates	2,750,595	79,690	2,830,285
Regulatory Retail	342,135	-	342,135
Other assets	263,629	-	263,629
Defaulted Exposures	75,277	14,382	89,659
Total On-Balance Sheet Exposures	7,480,465	99,827	7,580,292
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	147,938	-	147,938
Non-OTC Derivatives	101,761	-	101,761
Total Off-Balance Sheet Exposures	249,699	-	249,699
Total Gross Credit Exposures	7,730,164	99,827	7,829,991
The Bank			
As at 31 December 2018	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,388,898	-	3,388,898
Banks, DFIs & MDBs	238,707	-	238,707
Corporates	2,714,562	70,788	2,785,350
Regulatory Retail	342,135	-	342,135
Other assets	151,411	-	151,411
Defaulted Exposures	75,277	14,382	89,659
Total On-Balance Sheet Exposures	6,910,990	85,170	6,996,160
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	147,938	-	147,938
Non-OTC Derivatives	101,761	-	101,761
Total Off-Balance Sheet Exposures	249,699	-	249,699
Total Gross Credit Exposures	7,160,689	85,170	7,245,859

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(ii) The following table depicts the Bank's gross credit exposures by sector analysis or industrial distribution:

Table 4: Gross Credit Exposures by Sectorial Analysis or Industrial Distribution

The Group	Primary Agriculture	Mining and Quarrying	Manufacturing (including Agro- based)	Electricity, Gas and Water Supply	Construction	Wholesale, Retail Trade, Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance and Business Activities	Real Estate	Education, Health and Others	Household	Others	Total
As at 30 June 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>													
Sovereign/Central Banks	-	-	-	278,044	441,086	-	217,545	1,071,668	-	1,077,063	-	169,238	3,254,644
Banks, DFIs & MDBs	-	-	-	-	-	-	-	1,031,560	-	-	-	-	1,031,560
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	1,601	-	-	-	-	1,601
Corporates	110,544	13,528	182,283	328,014	315,516	146,646	154,907	692,167	311,612	165,149	37,420	-	2,457,786
Regulatory Retail	10,263	-	11,538	-	4,962	29,710	31,383	83,732	19,893	-	145,672	98,168	435,321
Other assets	-	-	-	-	-	-	-	-	-	-	-	381,977	381,977
Defaulted Exposures	-	1,051	35,168	-	36,545	-	11,584	16,331	5,992	17,057	-	-	123,728
Total On-Balance Sheet Exposures	120,807	14,579	228,989	606,058	798,109	176,356	415,419	2,897,059	337,497	1,259,269	183,092	649,383	7,686,617
<u>Off Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	185,259	-	-	-	-	185,259
Non-OTC Derivatives	-	600	10,000	26,705	12,375	-	600	1,058	-	-	3,795	10,000	65,133
Total Off-Balance Sheet Exposures	-	600	10,000	26,705	12,375	-	600	186,317	-	-	3,795	10,000	250,392
Total Gross Credit Exposures	120,807	15,179	238,989	632,763	810,484	176,356	416,019	3,083,376	337,497	1,259,269	186,887	659,383	7,937,009

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Table 4: Gross Credit Exposures by Sectorial Analysis or Industrial Distribution (Continued)

The Bank	Primary Agriculture	Mining and Quarrying	Manufacturing (including Agro- based)	Electricity, Gas and Water Supply	Construction	Wholesale, Retail Trade, Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance, Real Estate and Business Activities	Real Estate	Education, Health and Others	Household	Others	Total
As at 30 June 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>													
Sovereign/Central Banks	-	-	-	278,044	441,086	-	217,545	1,071,668	-	1,077,063	-	169,238	3,254,644
Banks, DFIs & MDBs	-	-	-	-	-	-	-	426,933	-	-	-	-	426,933
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	1,601	-	-	-	-	1,601
Corporates	110,544	12,717	179,894	326,982	315,516	146,646	154,088	618,733	311,612	165,149	37,420	-	2,379,301
Regulatory Retail	10,263	-	11,538	-	4,962	29,710	31,383	83,732	19,893	-	145,672	98,168	435,321
Other assets	-	-	-	-	-	-	-	-	-	-	-	181,511	181,511
Defaulted Exposures	-	1,051	35,168	-	36,545	-	11,584	16,331	5,992	17,057	-	-	123,728
Total On-Balance Sheet Exposures	120,807	13,768	226,600	605,026	798,109	176,356	414,600	2,218,998	337,497	1,259,269	183,092	448,917	6,803,039
<u>Off Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	185,259	-	-	-	-	185,259
Non-OTC Derivatives	-	600	10,000	26,705	12,375	-	600	1,058	-	-	3,795	10,000	65,133
Total Off-Balance Sheet Exposures	-	600	10,000	26,705	12,375	-	600	186,317	-	-	3,795	10,000	250,392
Total Gross Credit Exposures	120,807	14,368	236,600	631,731	810,484	176,356	415,200	2,405,315	337,497	1,259,269	186,887	458,917	7,053,431

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Table 4: Gross Credit Exposures by Sectorial Analysis or Industrial Distribution (Continued)

The Group	Primary Agriculture	Mining and Quarrying	Manufacturing (including Agro- based)	Electricity, Gas and Water Supply	Construction	Wholesale, Retail Trade, Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance and Business Activities	Real Estate	Education, Health and Others	Household	Others	Total
As at 31 December 2018	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>													
Sovereign/Central Banks	-	-	-	235,665	522,055	-	245,046	1,163,437	-	999,963	-	222,732	3,388,898
Banks, DFIs & MDBs	-	-	-	-	-	-	-	665,686	-	-	-	-	665,686
Corporates	111,745	13,213	320,626	382,311	339,873	158,346	176,833	717,520	376,247	179,092	54,479	-	2,830,285
Regulatory Retail	634	-	11,421	-	9,471	29,543	31,728	107,247	19,612	-	132,479	-	342,135
Other assets	-	-	-	-	-	-	-	-	-	-	-	263,629	263,629
Defaulted Exposures	-	1,051	14,382	-	36,545	94	-	13,010	7,492	17,085	-	-	89,659
Total On-Balance Sheet Exposures	112,379	14,264	346,429	617,976	907,944	187,983	453,607	2,666,900	403,351	1,196,140	186,958	486,361	7,580,292
<u>Off Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	314	-	-	-	147,624	-	-	-	-	147,938
Non-OTC Derivatives	-	600	20,000	55,578	24,750	-	-	-	-	-	833	-	101,761
Total Off-Balance Sheet Exposures	-	600	20,000	55,892	24,750	-	-	147,624	-	-	833	-	249,699
Total Gross Credit Exposures	112,379	14,864	366,429	673,868	932,694	187,983	453,607	2,814,524	403,351	1,196,140	187,791	486,361	7,829,991

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Table 4: Gross Credit Exposures by Sectorial Analysis or Industrial Distribution (Continued)

The Bank	Primary Agriculture	Mining and Quarrying	Manufacturing (including Agro- based)	Electricity, Gas and Water Supply	Construction	Wholesale, Retail Trade, Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance and Business Activities	Real Estate	Education, Health and Others	Household	Others	Total
As at 31 December 2018	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>													
Sovereign/Central Banks	-	-	-	235,665	522,055	-	245,046	1,163,437	-	999,963	-	222,732	3,388,898
Banks, DFIs & MDBs	-	-	-	-	-	-	-	238,707	-	-	-	-	238,707
Corporates	111,745	12,402	318,237	381,279	339,873	158,346	176,014	677,636	376,247	179,092	54,479	-	2,785,350
Regulatory Retail	634	-	11,421	-	9,471	29,543	31,728	107,247	19,612	-	132,479	-	342,135
Other assets	-	-	-	-	-	-	-	-	-	-	-	151,411	151,411
Defaulted Exposures	-	1,051	14,382	-	36,545	94	-	13,010	7,492	17,085	-	-	89,659
Total On-Balance Sheet Exposures	112,379	13,453	344,040	616,944	907,944	187,983	452,788	2,200,037	403,351	1,196,140	186,958	374,143	6,996,160
<u>Off Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	314	-	-	-	147,624	-	-	-	-	147,938
Non-OTC Derivatives	-	600	20,000	55,578	24,750	-	-	-	-	-	833	-	101,761
Total Off-Balance Sheet Exposures	-	600	20,000	55,892	24,750	-	-	147,624	-	-	833	-	249,699
Total Gross Credit Exposures	112,379	14,053	364,040	672,836	932,694	187,983	452,788	2,347,661	403,351	1,196,140	187,791	374,143	7,245,859

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(iii) The following table depicts the Bank's gross credit exposures analysed by residual contractual maturity analysis:

Table 5: Gross Credit Exposures by Residual Contractual Maturity Analysis

The Group

As at 30 June 2019 Exposure class	< 1 year RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
<u>On-Balance Sheet Exposures</u>					
Sovereign/Central Banks	5,092	703,582	2,376,733	169,237	3,254,644
Banks, DFIs & MDBs	998,601	29,635	3,324	-	1,031,560
Insurance Companies, Securities Firms & Fund Managers	1,601	-	-	-	1,601
Corporates	444,637	1,273,971	436,461	302,717	2,457,786
Regulatory Retail	429,939	2,748	2,634	-	435,321
Other assets	-	-	-	381,977	381,977
Defaulted Exposures	26,878	64,806	32,044	-	123,728
Total On-Balance Sheet Exposures	1,906,748	2,074,742	2,851,196	853,931	7,686,617
<u>Off Balance Sheet Exposures</u>					
OTC Derivatives	79,945	104,433	881	-	185,259
Non-OTC Derivatives	60,001	5,132	-	-	65,133
Total Off-Balance Sheet Exposures	139,946	109,565	881	-	250,392
Total Gross Credit Exposures	2,046,694	2,184,307	2,852,077	853,931	7,937,009

The Bank

As at 30 June 2019 Exposure class	< 1 year RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
<u>On-Balance Sheet Exposures</u>					
Sovereign/Central Banks	5,092	703,582	2,376,733	169,237	3,254,644
Banks, DFIs & MDBs	400,499	25,554	880	-	426,933
Insurance Companies, Securities Firms & Fund Managers	1,601	-	-	-	1,601
Corporates	444,637	1,271,546	425,765	237,353	2,379,301
Regulatory Retail	429,939	2,748	2,634	-	435,321
Other assets	-	-	-	181,511	181,511
Defaulted Exposures	26,878	64,806	32,044	-	123,728
Total On-Balance Sheet Exposures	1,308,646	2,068,236	2,838,056	588,101	6,803,039
<u>Off Balance Sheet Exposures</u>					
OTC Derivatives	79,945	104,433	881	-	185,259
Non-OTC Derivatives	60,001	5,132	-	-	65,133
Total Off-Balance Sheet Exposures	139,946	109,565	881	-	250,392
Total Gross Credit Exposures	1,448,592	2,177,801	2,838,937	588,101	7,053,431

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Table 5: Gross Credit Exposures by Residual Contractual Maturity Analysis (Continued)

The Group

As at 31 December 2018	< 1 year	> 1 - 5 years	Over 5 years	No specific maturity	Total
Exposure class	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>					
Sovereign/Central Banks	-	903,083	2,263,083	222,732	3,388,898
Banks, DFIs & MDBs	618,798	19,115	27,773	-	665,686
Corporates	516,572	1,589,094	522,750	201,869	2,830,285
Regulatory Retail	336,953	2,608	2,574	-	342,135
Other assets	-	-	-	263,629	263,629
Defaulted Exposures	94	59,470	30,095	-	89,659
Total On-Balance Sheet Exposures	1,472,417	2,573,370	2,846,275	688,230	7,580,292
<u>Off Balance Sheet Exposures</u>					
OTC Derivatives	62,635	85,303	-	-	147,938
Non-OTC Derivatives	101,468	293	-	-	101,761
Total Off-Balance Sheet Exposures	164,103	85,596	-	-	249,699
Total Gross Credit Exposures	1,636,520	2,658,966	2,846,275	688,230	7,829,991

The Bank

As at 31 December 2018	< 1 year	> 1 - 5 years	Over 5 years	No specific maturity	Total
Exposure class	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>					
Sovereign/Central Banks	-	903,083	2,263,083	222,732	3,388,898
Banks, DFIs & MDBs	198,344	15,034	25,329	-	238,707
Corporates	516,572	1,585,669	512,054	171,055	2,785,350
Regulatory Retail	336,953	2,608	2,574	-	342,135
Other assets	-	-	-	151,411	151,411
Defaulted Exposures	94	59,470	30,095	-	89,659
Total On-Balance Sheet Exposures	1,051,963	2,565,864	2,833,135	545,198	6,996,160
<u>Off Balance Sheet Exposures</u>					
OTC Derivatives	62,635	85,303	-	-	147,938
Non-OTC Derivatives	101,468	293	-	-	101,761
Total Off-Balance Sheet Exposures	164,103	85,596	-	-	249,699
Total Gross Credit Exposures	1,216,066	2,651,460	2,833,135	545,198	7,245,859

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- (i) The sectorial analysis of past due and impaired loans, advances and financing and the expected credit loss by sectors are depicted below:

Table 6: Past Due and Impaired Loans, Advances and Financing by Sectorial Analysis

	< ----- Gross Carrying Amount ----- >			
	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>	
The Group and The Bank	12 Month ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired	Total
As at 30 June 2019	Stage 1	Stage 2	Stage 3	Total
By Sector	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	-	-	-	-
Mining and Quarrying	-	-	2,581	2,581
Manufacturing (including Agro-based)	-	-	20,225	20,225
Electricity, Gas and Water Supply	-	-	-	-
Construction	-	-	36,545	36,545
Wholesale, Retail Trade, Restaurants and Hotels	-	-	94	94
Transport, Storage and Communication	-	-	11,758	11,758
Finance, Insurance and Business Activities	-	-	12,110	12,110
Real Estate	-	-	5,992	5,992
Education, Health and Others	-	-	21,098	21,098
Household	-	-	1	1
Total	-	-	110,404	110,404

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Table 6: Past Due and Impaired Loans, Advances and Financing by Sectorial Analysis (Continued)

< ----- Expected Credit Losses (ECL) ----- >				
The Group and The Bank	12 Month ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired	Total
As at 30 June 2019	Stage 1	Stage 2	Stage 3	Total
By Sector	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	188	-	-	188
Mining and Quarrying	-	-	1,530	1,530
Manufacturing (including Agro-based)	294	510	44	848
Electricity, Gas and Water Supply	53	-	-	53
Construction	211	-	-	211
Wholesale, Retail Trade, Restaurants and Hotels	100	-	94	194
Transport, Storage and Communication	820	-	174	994
Finance, Insurance and Business Activities	13	-	-	13
Real Estate	923	-	-	923
Education, Health and Others	-	-	4,040	4,040
Household	151	-	1	152
Total	2,753	510	5,883	9,146

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Table 6: Past Due and Impaired Loans, Advances and Financing by Sectorial Analysis (Continued)

	< ----- Gross Carrying Amount ----- >			
	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>	
The Group and The Bank	12 Month ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired	Total
As at 31 December 2018	Stage 1	Stage 2	Stage 3	Total
By Sector	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	-	-	-	-
Mining and Quarrying	-	-	2,581	2,581
Manufacturing (including Agro-based)	-	-	-	-
Electricity, Gas and Water Supply	-	-	-	-
Construction	-	-	36,545	36,545
Wholesale, Retail Trade, Restaurants and Hotels	-	-	94	94
Transport, Storage and Communication	-	13,541	-	13,541
Finance, Insurance and Business Activities	-	-	13,010	13,010
Real Estate	-	-	7,492	7,492
Education, Health and Others	-	-	21,125	21,125
Household	-	-	4	4
Total	-	13,541	80,851	94,392

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Table 6: Past Due and Impaired Loans, Advances and Financing by Sectorial Analysis (Continued)

The Group and The Bank	< ----- Expected Credit Losses (ECL) ----- >			Total
	12 Month ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired	
As at 31 December 2018	Stage 1	Stage 2	Stage 3	
By Sector	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	205	-	-	205
Mining and Quarrying	-	-	1,530	1,530
Manufacturing (including Agro-based)	868	-	-	868
Electricity, Gas and Water Supply	81	-	-	81
Construction	279	-	-	279
Wholesale, Retail Trade, Restaurants and Hotels	228	-	-	228
Transport, Storage and Communication	1,076	223	-	1,299
Finance, Insurance and Business Activities	15	-	-	15
Real Estate	1,008	-	-	1,008
Education, Health and Others	-	-	4,039	4,039
Household	305	-	4	309
Total	4,065	223	5,573	9,861

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- (ii) The geographic analysis of past due and impaired loans, advances and financing and the expected credit loss by geographical distribution can be analysed as follows:

Table 7: Past Due And Impaired Loans, Advances And Financing By Geographic Distribution

Past Due And Impaired Loans, Advances And Financing

< ----- Gross Carrying Amount ----- >					
	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>		Total
	12 Month ECL Stage 1	Lifetime ECL non Credit Impaired Stage 2	Lifetime ECL Credit Impaired Stage 3	Total	
The Group and the Bank	RM'000	RM'000	RM'000	RM'000	
As at 30 June 2019					
By Geographical Distribution					
Malaysia	-	-	110,404		110,404
Other Countries	-	-	-		-
Total	-	-	110,404		110,404

< ----- Expected Credit Losses (ECL) ----- >					
	Lifetime ECL non Credit Impaired		Lifetime ECL Credit Impaired		Total
	12 Month ECL Stage 1	Stage 2	Stage 3	Total	
The Group and the Bank	RM'000	RM'000	RM'000	RM'000	
As at 30 June 2019					
By Geographical Distribution					
Malaysia	2,753	510	5,883		9,146
Other Countries	-	-	-		-
Total	2,753	510	5,883		9,146

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Table 7: Past Due And Impaired Loans, Advances And Financing By Geographic Distribution (Continued)

Past Due And Impaired Loans, Advances And Financing

< ----- Gross Carrying Amount ----- >

The Group and the Bank	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>		Total
	12 Month ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired	Stage 3	
	Stage 1	Stage 2	Stage 3		
As at 31 December 2018					
By Geographic Distribution	RM'000	RM'000	RM'000		RM'000
Malaysia	-	13,541	80,851		94,392
Other Countries	-	-	-		-
Total	-	13,541	80,851		94,392

< ----- Expected Credit Losses (ECL) ----- >

The Group and the Bank	Lifetime ECL non Credit Impaired		Lifetime ECL Credit Impaired		Total
	12 Month ECL	Stage 2	Stage 3		
	Stage 1	Stage 2	Stage 3		
As at 31 December 2018					
By Geographical Distribution	RM'000	RM'000	RM'000		RM'000
Malaysia	4,065	223	5,573		9,861
Other Countries	-	-	-		-
Total	4,065	223	5,573		9,861

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(iii) The table below depicts the movement of expected credit losses:

Table 8: Movement in expected credit loss for Loans, Advances & Financing

The Group and the Bank

	12 months ECL		Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired
	Total	Stage 1	Stage 2	Stage 3
	30.06.2019	30.06.2019	30.06.2019	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Expected credit loss				
At beginning of the financial year, on adoption of MFRS 9	9,861	4,065	223	5,573
Total transfer between stages	-	(273)	55	218
Loans/Financing derecognised during the financial year (other than write-offs)	(176)	(176)	-	-
New loans/financing originated or purchased	68	68	-	-
Changes due to change in credit risk	(606)	(930)	232	92
Other adjustments				
- Foreign exchange and other adjustments	(1)	(1)	-	-
At the end of the financial year	9,146	2,753	510	5,883

The Group and the Bank

	12 months ECL		Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired
	Total	Stage 1	Stage 2	Stage 3
	31.12.2018	31.12.2018	31.12.2018	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Expected credit loss				
At beginning of the financial year, on adoption of MFRS 9	6,541	5,756	775	10
Total transfer between stages	-	(758)	(3,461)	4,219
Loans/Financing derecognised during the financial year (other than write-offs)	(2,327)	(1,889)	(438)	-
New loans/financing originated or purchased	2,168	2,168	-	-
Changes due to change in credit risk	3,462	(1,229)	3,347	1,344
Other adjustments				
- Foreign exchange and other adjustments	17	17	-	-
At the end of the financial year	9,861	4,065	223	5,573

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Credit Risk Assessment Under Standardised Approach

(i) Credit Exposure By Risk Weights

The following table depicts the credit risk exposure of the Bank by risk weight:

Table 9: Credit Risk Exposure by Risk Weight

Exposure after netting and credit risk mitigation												
The Group	Sovereign /		Insurance		Regulatory		Default (On		Non-OTC		Total Exposures	Total Risk
As at 30 June 2019	Central Banks	Banks, DFIs & MDBs	Companies, Securities Firms & Fund Manager	Corporates	Retail	Other Assets	Balance Sheet)	OTC Derivatives	Derivatives	Credit Risk Mitigation	Weighted Assets	
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,233,286	-	-	-	-	159	-	-	10,000	3,243,445	-	
20%	21,358	974,737	-	1,183,128	-	-	-	130,405	-	2,309,628	461,926	
50%	-	56,823	-	83,304	-	-	5,271	7,500	-	152,898	76,449	
75%	-	-	-	-	5,846	-	-	-	-	5,846	4,384	
100%	-	-	1,601	1,191,354	-	381,818	-	47,354	55,133	1,677,260	1,677,260	
150%	-	-	-	-	-	-	118,457	-	-	118,457	177,685	
Total	3,254,644	1,031,560	1,601	2,457,786	5,846	381,977	123,728	185,259	65,133	7,507,534	2,397,704	
Deduction from total capital	-	-	-	-	-	-	-	-	-	-	-	
Average risk weight											31.94%	

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Table 9: Credit Risk Exposure by Risk Weight (Continued)

Exposure after netting and credit risk mitigation

The Bank	Exposure after netting and credit risk mitigation								Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets	
As at 30 June 2019	Sovereign / Central Banks	Banks, DFIs & MDBs	Insurance Companies, Securities Firms & Fund Manager	Regulatory Corporates	Regulatory Retail	Other Assets	Default (On Balance Sheet)	OTC Derivatives	Non-OTC Derivatives	RM'000	RM'000
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,233,286	-	-	-	-	38	-	-	10,000	3,243,324	-
20%	21,358	426,933	-	1,181,915	-	-	-	130,405	-	1,760,611	352,122
50%	-	-	-	79,286	-	-	5,271	7,500	-	92,057	46,029
75%	-	-	-	-	5,846	-	-	-	-	5,846	4,384
100%	-	-	1,601	1,118,100	-	181,473	-	47,354	55,133	1,403,661	1,403,661
150%	-	-	-	-	-	-	118,457	-	-	118,457	177,685
Total	3,254,644	426,933	1,601	2,379,301	5,846	181,511	123,728	185,259	65,133	6,623,956	1,983,881
Deduction from total capital	-	-	-	-	-	131,384	-	-	-	131,384	-
Average risk weight											29.95%

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Table 9: Credit Risk Exposure by Risk Weight (Continued)

Exposure after netting and credit risk mitigation

The Group	Exposure after netting and credit risk mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
As at 31 December 2018	Sovereign / Central Banks	Banks, DFIs & MDBs	Insurance Companies, Securities Firms & Fund Manager	Regulatory Retail Corporates	Other Assets	Default (On Balance Sheet)	OTC Derivatives	Non-OTC Derivatives			
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,368,746	-	-	-	-	119	-	-	-	3,368,865	-
20%	20,152	659,118	-	1,439,218	-	40,142	-	97,648	-	2,256,278	451,256
50%	-	6,568	-	36,669	-	-	1,051	6,051	-	50,339	25,170
75%	-	-	-	-	5,492	-	-	-	-	5,492	4,119
100%	-	-	-	1,354,398	-	223,367	-	44,239	101,761	1,723,765	1,723,765
150%	-	-	-	-	-	-	88,608	-	-	88,608	132,912
Total	3,388,898	665,686	-	2,830,285	5,492	263,628	89,659	147,938	101,761	7,493,347	2,337,222
Deduction from total capital	-	-	-	-	-	-	-	-	-	-	-
Average risk weight											31.19%

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Table 9: Credit Risk Exposure by Risk Weight (Continued)

Exposure after netting and credit risk mitigation

The Bank	Exposure after netting and credit risk mitigation									Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
As at 31 December 2018	Sovereign / Central Banks	Banks, DFIs & MDBs	Insurance Companies, Securities Firms & Fund Manager	Regulatory Corporates	Regulatory Retail	Other Assets	Default (On Balance Sheet)	OTC Derivatives	Non-OTC Derivatives	RM'000	RM'000
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,368,746	-	-	-	-	42	-	-	-	3,368,788	-
20%	20,152	238,707	-	1,438,019	-	40,142	-	97,648	-	1,834,668	366,934
50%	-	-	-	32,652	-	-	1,051	6,051	-	39,754	19,877
75%	-	-	-	-	5,492	-	-	-	-	5,492	4,119
100%	-	-	-	1,314,680	-	111,227	-	44,239	101,761	1,571,907	1,571,907
150%	-	-	-	-	-	-	88,608	-	-	88,608	132,912
Total	3,388,898	238,707	-	2,785,351	5,492	151,411	89,659	147,938	101,761	6,909,217	2,095,749
Deduction from total capital	-	-	-	-	-	131,384	-	-	-	131,384	-
Average risk weight											30.33%

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(ii) Credit Exposure By Risk Weight (Long Term Rating)

The following is summary of rules governing the Standardised Approach for rated, unrated and preferential / special risk weight of the counterparties.

Table 10A: Long Term Credit Rating Category by External Credit Assessment Institution under Standardised Approach

Rating Category	External Credit Assessment Institutions (ECAIs)				
	S&P	Moody's	Fitch	R&I	MARC
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	BBB+ to BBB-
4	BB+ to B-	Ba1 to B3	BB+ to B-	BB+ to B-	BB+ to B-
5	CCC+ to D	Caa1 to C	CCC+ to D	CCC+ to C	C+ to D
Unrated	Unrated				

Table 10B: Long term Credit Rating Risk Weight Category by External Credit Assessment Institution under Standardised Approach for Banking Institution, Corporate and Sovereign & Central Bank

Rating Category	Risk weights based on Credit Ratings of the Counterparty Exposure Class		
	Banking Institutions	Corporate	Sovereign & Central Bank
1	20%	20%	0%
2	50%	50%	20%
3	50%	100%	50%
4	100%	150%	100%
5	150%	150%	150%
Unrated	50%	100%	100%

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Table 11: Preferential / Special Risk Weight Allocation under Standardised Approach (for Long Term & Short Term)

	Exposure Category	Risk Weight
1	Exposures including debts securities issued by or guaranteed by Federal Government of Malaysia and/or Bank Negara Malaysia denominated and funded in Ringgit Malaysia	0%
2	Cash & Gold	0%
3	Investment in the ABF Malaysia Bond Index Fund	0%
4	Exposure on Bank for International Settlements, International Monetary Fund, European Central Bank &	0%
5	Exposure to Multilateral Development Banks specified by Basel Committee of Banking Supervision	0%
6	Exposures including debts securities issued by or guaranteed by Federal Government and/or Central Bank denominated and funded in foreign currency	20%
7	Exposure to local Stock Exchange & Clearing House	20%
8	Unit Trust & Property Trust Fund	100%
9	Publicly Traded Equity Investment in Banking Book	100%
10	Equity held for socio-economic purpose	100%
11	Investment in Subsidiaries (other than commercial entities)	1250%

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The following table shows rated and unrated exposure to Banking Institution, Corporate and Sovereign and Central Banks using of long term ratings by the external credit assessment institutions (ECAIs) and Preferential / Special Risk Weight.

Table 12: Rated and Unrated Gross Credit Risk Exposure (Long Term)

The Group As at 30 June 2019 Risk Weights	Rated					Risk Weighted Allocation Preferential / Special Risk Weight			Unrated					Total RM'000
	0% RM'000	20% RM'000	50% RM'000	100% RM'000	150% RM'000	0% RM'000	20% RM'000	100% RM'000	20% RM'000	50% RM'000	75% RM'000	100% RM'000	150% RM'000	
Categories of Exposure														
<u>On and Off Balance-Sheet Exposures</u>														
Sovereign and Central Banks	-	-	-	-	-	3,243,286	21,358	-	-	-	-	-	-	3,264,644
Banks, DFIs and MDBs	-	1,061,034	64,322	-	-	-	-	-	44,110	-	-	-	-	1,169,466
<u>Credit Exposures (using Corporate Risk Weights)</u>														
Insurance Companies, Securities														
Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	6,894	-	6,894
Corporates	-	1,183,128	83,304	8,084	-	-	-	-	-	-	-	1,280,463	-	2,554,979
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	435,321	-	-	435,321
Other Assets	-	-	-	-	-	38	-	-	-	-	-	381,939	-	381,977
Defaulted Exposures	-	-	-	-	-	-	-	-	-	5,271	-	-	118,457	123,728
Total	-	2,244,162	147,626	8,084	-	3,243,324	21,358	-	44,110	5,271	435,321	1,669,296	118,457	7,937,009

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Table 12: Rated and Unrated Gross Credit Risk Exposure (Long Term) (Continued)

The Bank As at 30 June 2019 Risk Weights	Rated					Risk Weighted Allocation Preferential / Special Risk Weight			Unrated					Total RM'000	
	0% RM'000	20% RM'000	50% RM'000	100% RM'000	150% RM'000	0% RM'000	20% RM'000	100% RM'000	20% RM'000	50% RM'000	75% RM'000	100% RM'000	150% RM'000		
Categories of Exposure															
<u>On and Off Balance-Sheet Exposures</u>															
Sovereign and Central Banks	-	-	-	-	-	3,243,286	21,358	-	-	-	-	-	-	-	3,264,644
Banks, DFIs and MDBs	-	513,229	7,500	-	-	-	-	-	44,110	-	-	-	-	-	564,839
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities															
Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	6,894	-	-	6,894
Corporates	-	1,181,915	79,287	-	-	-	-	-	-	-	-	1,215,292	-	-	2,476,494
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	435,321	-	-	-	435,321
Other Assets	-	-	-	-	-	38	-	-	-	-	-	181,473	-	-	181,511
Defaulted Exposures	-	-	-	-	-	-	-	-	-	5,271	-	-	118,457	-	123,728
Total	-	1,695,144	86,787	-	-	3,243,324	21,358	-	44,110	5,271	435,321	1,403,659	118,457	-	7,053,431

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Table 12: Rated and Unrated Gross Credit Risk Exposure (Long Term) (Continued)

The Group As at 31 December 2018	Rated					Risk Weighted Allocation Preferential / Special Risk Weight			Unrated					Total	
	0% RM'000	20% RM'000	50% RM'000	100% RM'000	150% RM'000	0% RM'000	20% RM'000	100% RM'000	20% RM'000	50% RM'000	75% RM'000	100% RM'000	150% RM'000		
Categories of Exposure															
<u>On and Off Balance-Sheet Exposures</u>															
Sovereign and Central Banks	-	20,152	-	-	-	3,368,746	-	-	-	-	-	-	-	-	3,388,898
Banks, DFIs and MDBs	-	746,719	22,666	-	-	-	-	-	-	-	-	-	-	-	769,385
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities															
Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	3,592	-	-	3,592
Corporates	-	1,439,222	36,669	8,084	-	-	-	-	-	-	-	1,488,718	-	-	2,972,693
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	342,135	-	-	-	342,135
Other Assets	-	-	-	-	-	42	-	-	40,142	-	-	223,445	-	-	263,629
Defaulted Exposures	-	-	-	-	-	-	-	-	-	1,051	-	-	88,608	-	89,659
Total	-	2,206,093	59,335	8,084	-	3,368,788	-	-	40,142	1,051	342,135	1,715,755	88,608	-	7,829,991

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Table 12: Rated and Unrated Gross Credit Risk Exposure (Long Term) (Continued)

The Bank As at 31 December 2018 Risk Weights	Rated					Risk Weighted Allocation Preferential / Special Risk Weight			Unrated					Total RM'000	
	0%	20%	50%	100%	150%	0%	20%	100%	20%	50%	75%	100%	150%		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Categories of Exposure															
<u>On and Off Balance-Sheet Exposures</u>															
Sovereign and Central Banks	-	20,152	-	-	-	3,368,746	-	-	-	-	-	-	-	-	3,388,898
Banks, DFIs and MDBs	-	326,308	16,098	-	-	-	-	-	-	-	-	-	-	-	342,406
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities															
Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	3,592	-	-	3,592
Corporates	-	1,438,018	32,652	-	-	-	-	-	-	-	-	1,457,088	-	-	2,927,758
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	342,135	-	-	-	342,135
Other Assets	-	-	-	-	-	42	-	-	40,142	-	-	111,227	-	-	151,411
Defaulted Exposures	-	-	-	-	-	-	-	-	-	1,051	-	-	88,608	-	89,659
Total	-	1,784,478	48,750	-	-	3,368,788	-	-	40,142	1,051	342,135	1,571,907	88,608	-	7,245,859

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(iii) Credit Exposure By Risk Weight (Short Term Rating)

The following is summary of the prescribed rules governing the Standardised Approach for rated, unrated and preferential risk weight of the exposures.

Table 13: Short term Credit Rating Category by External Credit Assessment Institution under Standardised Approach

Rating Category	External Credit Assessment Institutions (ECAIs)				
	S&P	Moody's	Fitch	R&I	MARC
1	A-1	P-1	F1+. F1	a-1+, a-1	MARC-1
2	A-2	P-2	F2	a-2	MARC-2
3	A-3	P-3	F3	a-3	MARC-3
4	Others	Others	B to D	b, c	MARC-4

Table 14: Short term Credit Rating Risk Weight Category by ECAIs under Standardised Approach for Banking Institution and Corporate

Rating Category	Risk weights based on Credit Ratings of the Counterparty Exposure Class	
	Banking Institutions	Corporate
1	20%	20%
2	50%	50%
3	100%	100%
4	150%	150%

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The following table shows rated and unrated exposure to Banking Institution, Corporate and Sovereign and Central Banks using of short term ratings by the external credit assessment institutions (ECAIs) and Preferential / Special Risk Weight.

Table 15: Rated and Unrated Gross Credit Risk Exposure (Short Term Rating)

The Group and the Bank	Risk Weighted Allocation									
	Rated				Preferential / Special Risk Weight			Unrated		Total
	0%	20%	50%	150%	0%	20%	100%	50%	100%	
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 30 June 2019										
Categories of Exposure										
<u>On and Off Balance-Sheet Exposures</u>										
Sovereign and Central Banks	-	-	-	-	-	-	-	-	-	-
Banks, DFIs and MDBs	-	-	-	-	-	-	-	-	-	-
<u>Credit Exposures (using Corporate Risk Weights)</u>										
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	-
Regulatory Retail	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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Table 15: Rated and Unrated Gross Credit Risk Exposure (Short Term Rating) (Continued)

The Group and the Bank	Risk Weighted Allocation									
	Rated				Preferential / Special Risk Weight			Unrated		Total
	0%	20%	50%	150%	0%	20%	100%	50%	100%	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 31 December 2018										
Risk Weights										
Categories of Exposure										
<u>On and Off Balance-Sheet Exposures</u>										
Sovereign and Central Banks	-	-	-	-	-	-	-	-	-	-
Banks, DFIs and MDBs	-	-	-	-	-	-	-	-	-	-
<u>Credit Exposures (using Corporate Risk Weights)</u>										
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-	-
Regulatory Retail	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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The following table depicts the Bank's exposures covered by guarantees and collaterals:

Table 16: Exposures Covered by Credit Risk Mitigation

The Group	Exposures before CRM	Exposures Covered by Guarantees	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
As at 30 June 2019	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,254,644	-	-	-
Banks, DFIs and MDBs	1,031,560	-	-	-
Insurance Companies, Securities Firms & Fund Managers	1,601	-	-	-
Corporates	2,457,786	-	-	-
Regulatory Retail	435,321	-	429,475	-
Other assets	381,977	-	-	-
Defaulted exposures	123,728	-	-	-
Total On-Balance Sheet Exposures	7,686,617	-	429,475	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	185,259	-	-	-
Non-OTC Derivatives	65,133	-	-	-
Total Off-Balance Sheet Exposures	250,392	-	-	-
Total Gross Credit Exposures	7,937,009	-	429,475	-
The Bank	Exposures before CRM	Exposures Covered by Guarantees	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
As at 30 June 2019	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,254,644	-	-	-
Banks, DFIs and MDBs	426,933	-	-	-
Insurance Companies, Securities Firms & Fund Managers	1,601	-	-	-
Corporates	2,379,301	-	-	-
Regulatory Retail	435,321	-	429,475	-
Other assets	181,511	-	-	-
Defaulted exposures	123,728	-	-	-
Total On-Balance Sheet Exposures	6,803,039	-	429,475	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	185,259	-	-	-
Non-OTC Derivatives	65,133	-	-	-
Total Off-Balance Sheet Exposures	250,392	-	-	-
Total Gross Credit Exposures	7,053,431	-	429,475	-

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Table 16: Exposures Covered by Credit Risk Mitigation (Continued)

The Group			Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
As at 31 December 2018	Exposures before CRM RM'000	Exposures Covered by Guarantees RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,388,898	-	-	-
Banks, DFIs and MDBs	665,686	-	-	-
Corporates	2,830,285	-	-	-
Regulatory Retail	342,135	-	336,643	-
Other assets	263,629	-	-	-
Defaulted exposures	89,659	-	-	-
Total On-Balance Sheet Exposures	7,580,292	-	336,643	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	147,938	-	-	-
Non-OTC Derivatives	101,761	-	-	-
Total Off-Balance Sheet Exposures	249,699	-	-	-
Total Gross Credit Exposures	7,829,991	-	336,643	-
The Bank			Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
As at 31 December 2018	Exposures before CRM RM'000	Exposures Covered by Guarantees RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,388,898	-	-	-
Banks, DFIs and MDBs	238,707	-	-	-
Corporates	2,785,350	-	-	-
Regulatory Retail	342,135	-	336,643	-
Other assets	151,411	-	-	-
Securitisation	-	-	-	-
Defaulted exposures	89,659	-	-	-
Total On-Balance Sheet Exposures	6,996,160	-	336,643	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	147,938	-	-	-
Non-OTC Derivatives	101,761	-	-	-
Total Off-Balance Sheet Exposures	249,699	-	-	-
Total Gross Credit Exposures	7,245,859	-	336,643	-

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Off-Balance Sheet Exposure and Counterparty Credit Risk

The following table depicts disclosure of off-balance sheet and counterparty credit risk:

Table 17: Off-Balance Sheet and Counterparty Credit Risk

The Group	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
As at 30 June 2019	RM'000	RM'000	RM'000	RM'000
Description				
Transaction related contingent Items	91,174	-	45,587	45,587
Forward Asset Purchases	10,000	-	10,000	-
Foreign exchange related contracts				
One year or less	4,903,381	19,019	78,267	39,428
Over one year to five years	406,615	7,607	32,388	20,586
Interest rate related contracts				
One year or less	845,000	401	1,678	336
Over one year to five years	2,380,000	11,853	72,046	16,659
Over five years	30,000	880	880	176
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	10,288	-	5,132	5,132
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	22,071	-	4,414	4,414
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	486,315	-	-	-
Total	9,184,844	39,760	250,392	132,318

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Table 17: Off-Balance Sheet and Counterparty Credit Risk (Continued)

The Bank	Principal	Positive Fair	Credit	Risk
As at 30 June 2019	Amount	Value of	Equivalent	Weighted
Description	RM'000	Derivative	Amount	Assets
		Contracts	RM'000	RM'000
Transaction related contingent Items	91,174	-	45,587	45,587
Forward Asset Purchases	10,000	-	10,000	-
Foreign exchange related contracts				
One year or less	4,903,381	18,989	78,267	39,428
Over one year to five years	406,615	7,607	32,388	20,586
Interest rate related contracts				
One year or less	845,000	401	1,678	336
Over one year to five years	2,380,000	11,853	72,046	16,659
Over five years	30,000	880	880	176
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	10,288	-	5,132	5,132
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	22,071	-	4,414	4,414
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	486,315	-	-	-
Total	9,184,844	39,730	250,392	132,318

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Table 17: Off-Balance Sheet and Counterparty Credit Risk (Continued)

The Group	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
As at 31 December 2018	RM'000	RM'000	RM'000	RM'000
Description				
Direct Credit Substitutes	96,674	-	96,643	96,643
Foreign exchange related contracts				
One year or less	2,920,701	19,517	61,232	35,968
Over one year to five years	304,689	6,797	28,126	17,400
Interest rate related contracts				
One year or less	695,000	44	1,403	281
Over one year to five years	1,810,000	3,267	55,145	12,739
Over five years	30,000	232	2,032	406
and credit lines, with an original maturity of over one year	588	-	293	293
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	24,133	-	4,825	4,825
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	468,170	-	-	-
Total	6,349,955	29,857	249,699	168,555

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Table 17: Off-Balance Sheet and Counterparty Credit Risk

The Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Assets RM'000
As at 31 December 2018				
Description	RM'000	RM'000	RM'000	RM'000
Direct Credit Substitutes	96,674	-	96,643	96,643
Foreign exchange related contracts				
One year or less	2,920,701	19,444	61,232	35,968
Over one year to five years	304,689	6,797	28,126	17,400
Over five years	-	-	-	-
Interest rate related contracts				
One year or less	695,000	44	1,403	281
Over one year to five years	1,810,000	3,267	55,145	12,739
Over five years	30,000	232	2,032	406
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	588	-	293	293
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	24,133	-	4,825	4,825
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	468,170	-	-	-
Total	6,349,955	29,784	249,699	168,555

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Securitisation Disclosures under the Standardised Approach

The Group and the Bank currently do not have any securitisation exposure under standardised approach for banking book as at 30 June 2019 and 31 December 2018.

Equities under Banking Book

The following table depicts the fair value and risk weighted assets of and gains and losses on equity/ CIS investments under banking book:

Table 18: Equities under Banking Book

The Group		Risk Weighted
As at 30 June 2019	Fair Value	Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	12,796	12,796
Privately held	288,912	288,912
Total	301,708	301,708

RM'000

Cumulative realised gains/(losses) from sales and liquidations of equity investments

(325)

Total unrealised gains/(losses) in other comprehensive income

9,137

The Bank		Risk Weighted
As at 30 June 2019	Fair Value	Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	12,796	12,796
Privately held	224,557	224,557
Total	237,353	237,353

RM'000

Cumulative realised gains/(losses) from sales and liquidations of equity investments

(426)

Total unrealised gains/(losses) in other comprehensive income

5,165

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Table 18: Equities under Banking Book (Continued)

The Group		Risk Weighted
As at 31 December 2018	Fair Value	Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	59,910	59,910
Privately held	52,640	52,640
Total	112,550	112,550
	RM'000	
Cumulative realised gains/(losses) from sales and liquidations of equity investments	103	
Total unrealised gains/(losses) in other comprehensive income	(2,483)	

The Bank		Risk Weighted
As at 31 December 2018	Fair Value	Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	59,910	59,910
Privately held	21,821	21,821
Total	81,731	81,731
	RM'000	
Cumulative realised gains/(losses) from sales and liquidations of equity investments	100	
Total unrealised gains/(losses) in other comprehensive income	(968)	

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The following table depicts the sensitivity shocks on earnings and economic value of the Bank's positions in banking book, to a parallel interest rate shock of +/- 100 basis points ("bps"):

Table 19: Sensitivity of the banking book to interest rate changes

	The Group		The Bank	
	Increase / (Decrease) in RM'000		Increase / (Decrease) in RM'000	
As at 30 June 2019	+100 bps	-100 bps	+100 bps	-100 bps
*Impact on Earnings				
MYR	(22,344)	22,344	(22,344)	22,344
USD	(96)	96	(96)	96
SGD	102	(102)	102	(102)
Others	-	-	-	-
Total	(22,338)	22,338	(22,338)	22,338
~Impact on Economic Value				
MYR	203,755	(203,755)	203,731	(203,731)
USD	2,326	(2,326)	1,388	(1,388)
SGD	3,210	(3,210)	3,210	(3,210)
Others	-	-	-	-
Total	209,291	(209,291)	208,329	(208,329)
As at 31 December 2018	The Group		The Bank	
	Increase / (Decrease) in RM'000		Increase / (Decrease) in RM'000	
	+100 bps	-100 bps	+100 bps	-100 bps
*Impact on Earnings				
MYR	(27,512)	27,512	(27,512)	27,512
USD	(895)	895	(895)	895
SGD	56	(56)	56	(56)
Others	-	-	-	-
Total	(28,351)	28,351	(28,351)	28,351
~Impact on Economic Value				
MYR	200,815	(200,815)	200,783	(200,783)
USD	1,487	(1,487)	1,487	(1,487)
SGD	2,201	(2,201)	2,201	(2,201)
Others	-	-	-	-
Total	204,503	(204,503)	204,471	(204,471)

* The earnings approach focuses on the impact of interest rate movement on the Bank's near term earnings (within 1 year).

~ The economic value approach provides a more comprehensive view of the impact of interest rate movement on the economic value of the Bank's overall positions.