

Company No: 197301000792 (14389-U)

Affin Hwang Investment Bank Berhad
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES
for the financial period ended 30 June 2020

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

Table 1: Risk-Weighted Assets and Capital Requirements

The Group

As at 30 June 2020	Gross exposures	Net exposures	Risk Weighted Assets	Capital requirements	
	RM'000	RM'000	RM'000	RM'000	
(i) Credit risk					
Exposure Class					
<u>On-Balance Sheet Exposures</u>					
Sovereigns/Central Banks	2,254,972	2,254,972	-	-	
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	1,860,558	1,860,558	375,709	30,057	
Insurance Companies, Securities Firms & Fund Managers	1,675	1,675	1,675	134	
Corporates	1,162,011	1,140,525	768,155	61,452	
Regulatory Retail	502,759	16,943	12,707	1,017	
Other Assets	278,350	278,350	246,472	19,718	
Defaulted Exposures	82,069	82,069	116,504	9,320	
Total for on-balance sheet exposures	6,142,394	5,635,092	1,521,222	121,698	
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") derivatives	309,386	309,386	132,352	10,588	
Non-OTC Derivatives	39,256	39,256	39,256	3,140	
Total for off-balance sheet exposures	348,642	348,642	171,608	13,728	
Total credit risk exposures	6,491,036	5,983,734	1,692,830	135,426	
(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	8,593,124	8,598,960	(5,837)	119,902	9,592
Foreign currency risk	3,341,104	3,347,896	(6,792)	27,637	2,211
Equity risk	43,481	59	43,422	119,399	9,552
Option risk	-	-	5,250	7,219	578
Total market risk exposures	11,977,709	11,946,915	36,043	274,157	21,933
(iv) Operational risk					
			Risk Weighted Assets	Capital requirements	
			RM'000	RM'000	
Operational risk			989,473	79,158	
Total risk-weighted assets and capital requirements			2,956,460	236,517	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank

As at 30 June 2020	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	2,254,972	2,254,972	-	-	
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	1,480,333	1,480,333	296,226	23,698	
Insurance Companies, Securities Firms & Fund Managers	1,675	1,675	1,675	134	
Corporates	1,061,169	1,039,683	674,097	53,928	
Regulatory Retail	502,759	16,943	12,707	1,017	
Other Assets	125,288	125,288	93,414	7,473	
Defaulted Exposures	82,069	82,069	116,504	9,320	
Total for on-balance sheet exposures	5,508,265	5,000,963	1,194,623	95,570	
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") derivatives	309,386	309,386	132,352	10,588	
Non-OTC Derivatives	39,256	39,256	39,256	3,140	
Total for off-balance sheet exposures	348,642	348,642	171,608	13,728	
Total credit risk exposures	5,856,907	5,349,605	1,366,231	109,298	
(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	8,590,983	8,596,816	(5,834)	119,902	9,592
Foreign currency risk	3,272,479	3,345,752	(73,273)	81,079	6,486
Equity risk	43,481	59	43,422	119,399	9,552
Option risk	-	-	5,250	7,219	578
Total market risk exposures	11,906,943	11,942,627	(30,435)	327,599	26,208
(iv) Operational risk					
			Risk Weighted Assets	Capital requirements	
			RM'000	RM'000	
Operational risk			501,935	40,155	
Total risk-weighted assets and capital requirements			2,195,765	175,661	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group

As at 31 December 2019	Gross exposures	Net exposures	Risk Weighted Assets	Capital requirements	
	RM'000	RM'000	RM'000	RM'000	
(i) Credit risk					
Exposure Class					
<u>On-Balance Sheet Exposures</u>					
Sovereigns/Central Banks	3,670,407	3,670,407	4,259	341	
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	824,475	824,475	167,138	13,371	
Insurance Companies, Securities Firms & Fund Managers	307	307	307	25	
Corporates	2,136,764	2,109,442	1,285,310	102,825	
Regulatory Retail	509,540	6,054	4,541	363	
Other Assets	362,308	362,308	362,271	28,982	
Defaulted Exposures	88,175	88,175	119,425	9,554	
Total for on-balance sheet exposures	7,591,976	7,061,168	1,943,251	155,461	
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") derivatives	208,149	208,149	87,484	6,999	
Non-OTC Derivatives	37,599	37,599	37,591	3,007	
Total for off-balance sheet exposures	245,748	245,748	125,075	10,006	
Total credit risk exposures	7,837,724	7,306,916	2,068,326	165,467	
(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	7,049,729	6,909,741	139,988	159,562	12,765
Foreign currency risk	2,623,559	2,666,834	(43,275)	60,559	4,845
Equity risk	47,527	4,289	43,238	133,326	10,666
Option risk	-	-	-	-	-
Total market risk exposures	9,720,815	9,580,864	139,951	353,447	28,276
(iv) Operational risk					
			Risk Weighted Assets	Capital requirements	
			RM'000	RM'000	
Operational risk			926,744	74,140	
Total risk-weighted assets and capital requirements			3,348,517	267,883	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank

As at 31 December 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	3,670,407	3,670,407	4,259	341	
Banks, Development Financial Institutions ("DFIs") & Multilateral Development Banks ("MDBs")	334,712	334,712	66,942	5,355	
Insurance Companies, Securities Firms & Fund Managers	307	307	307	25	
Corporates	2,039,250	2,011,927	1,194,571	95,566	
Regulatory Retail	509,540	6,054	4,541	363	
Other Assets	82,300	82,300	82,265	6,581	
Defaulted Exposures	88,175	88,175	119,425	9,554	
Total for on-balance sheet exposures	6,724,691	6,193,882	1,472,310	117,785	
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") derivatives	208,149	208,149	87,484	6,999	
Non-OTC Derivatives	37,599	37,599	37,591	3,007	
Total for off-balance sheet exposures	245,748	245,748	125,075	10,006	
Total credit risk exposures	6,970,439	6,439,630	1,597,385	127,791	
(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	6,993,278	6,854,295	138,983	158,220	12,658
Foreign currency risk	2,551,516	2,611,388	(59,872)	62,731	5,018
Equity risk	47,527	4,289	43,244	133,321	10,666
Option risk	-	-	-	-	-
Total market risk exposures	9,592,321	9,469,972	122,355	354,272	28,342
(iv) Operational risk					
			Risk Weighted Assets	Capital requirements	
			RM'000	RM'000	
Operational risk			457,202	36,576	
Total risk-weighted assets and capital requirements			2,408,859	192,709	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

Table 2: Constituents of Eligible Capital and Capital Adequacy Ratios

	The Group		The Bank	
	30.06.2020 RM'000	31.12.2019 RM'000	30.06.2020 RM'000	31.12.2019 RM'000
Common Equity Tier (CET) 1 Capital :				
Share capital	999,800	999,800	999,800	999,800
Foreign exchange translation reserve	135	135	-	-
Retained profits	499,352	539,352	466,507	506,507
Other reserve	(61,010)	(61,010)	-	-
Unrealised gains on FVOCI instruments	53,828	77,210	53,773	77,155
	<u>1,492,105</u>	<u>1,555,487</u>	<u>1,520,080</u>	<u>1,583,462</u>
Less : Regulatory adjustment				
Goodwill and other Intangible assets	(323,268)	(323,194)	(315,933)	(316,243)
Investment in associates/subsidiaries	(3,062)	(3,594)	(133,184)	(131,384)
Regulatory reserve	(15,665)	(23,731)	(15,665)	(23,731)
55% of cumulative gains on FVOCI instruments	(29,606)	(42,466)	(29,575)	(42,435)
Deferred tax assets	(15,313)	(9,533)	(8,018)	-
Total CET 1 Capital	<u>1,105,191</u>	<u>1,152,969</u>	<u>1,017,705</u>	<u>1,069,669</u>
Additional Tier 1 Capital				
Qualifying non-controlling interests	21,084	25,241	-	-
Tier 1 Capital	<u>1,126,275</u>	<u>1,178,210</u>	<u>1,017,705</u>	<u>1,069,669</u>
Tier 2 capital				
Expected Credit Loss	21,160	25,854	17,078	19,967
Total Tier 2 capital	<u>21,160</u>	<u>25,854</u>	<u>17,078</u>	<u>19,967</u>
Total Capital	<u>1,147,435</u>	<u>1,204,064</u>	<u>1,034,783</u>	<u>1,089,636</u>
Proposed dividends	-	40,000	-	40,000
Capital Ratio				
CET 1 capital ratio	37.382%	34.432%	46.349%	44.406%
Tier 1 capital ratio	38.095%	35.186%	46.349%	44.406%
Total capital ratio	38.811%	35.958%	47.126%	45.235%
CET 1 capital ratio (net of proposed dividends)	37.382%	33.238%	46.349%	42.745%
Tier 1 capital ratio (net of proposed dividends)	38.095%	33.991%	46.349%	42.745%
Total capital ratio (net of proposed dividends)	38.811%	34.764%	47.126%	43.574%
Credit risk	1,692,830	2,068,326	1,366,231	1,597,385
Market risk	274,157	353,447	327,599	354,272
Operational risk	989,473	926,744	501,935	457,202
Total RWA	<u>2,956,460</u>	<u>3,348,517</u>	<u>2,195,765</u>	<u>2,408,859</u>

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 Geographical Distribution

The Group			
As at 30 June 2020	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	2,254,972	-	2,254,972
Banks, DFIs & MDBs	1,855,480	5,078	1,860,558
Insurance Companies, Securities Firms & Fund Managers	1,675	-	1,675
Corporates	1,093,563	68,448	1,162,011
Regulatory Retail	502,759	-	502,759
Other assets	278,350	-	278,350
Defaulted Exposures	82,069	-	82,069
Total On-Balance Sheet Exposures	6,068,868	73,526	6,142,394
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	309,385	1	309,386
Non-OTC Derivatives	39,256	-	39,256
Total Off-Balance Sheet Exposures	348,641	1	348,642
Total Gross Credit Exposures	6,417,509	73,527	6,491,036
The Bank			
As at 30 June 2020	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	2,254,972	-	2,254,972
Banks, DFIs & MDBs	1,480,332	1	1,480,333
Insurance Companies, Securities Firms & Fund Managers	1,675	-	1,675
Corporates	1,014,130	47,039	1,061,169
Regulatory Retail	502,759	-	502,759
Other assets	125,288	-	125,288
Defaulted Exposures	82,069	-	82,069
Total On-Balance Sheet Exposures	5,461,225	47,040	5,508,265
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	309,385	1	309,386
Non-OTC Derivatives	39,256	-	39,256
Total Off-Balance Sheet Exposures	348,641	1	348,642
Total Gross Credit Exposures	5,809,866	47,041	5,856,907

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group			
As at 31 December 2019	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,670,407	-	3,670,407
Banks, DFIs & MDBs	819,373	5,102	824,475
Insurance Companies, Securities Firms & Fund Managers	307	-	307
Corporates	2,067,532	69,232	2,136,764
Regulatory Retail	509,540	-	509,540
Other assets	362,308	-	362,308
Defaulted Exposures	88,175	-	88,175
Total On-Balance Sheet Exposures	7,517,642	74,334	7,591,976
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	208,124	25	208,149
Non-OTC Derivatives	37,599	-	37,599
Total Off-Balance Sheet Exposures	245,723	25	245,748
Total Gross Credit Exposures	7,763,365	74,359	7,837,724
The Bank			
As at 31 December 2019	Malaysia	Other Countries	Total
Exposure Class	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>			
Sovereign / Central Banks	3,670,407	-	3,670,407
Banks, DFIs & MDBs	334,687	25	334,712
Insurance Companies, Securities Firms & Fund Managers	307	-	307
Corporates	1,991,427	47,823	2,039,250
Regulatory Retail	509,540	-	509,540
Other assets	82,300	-	82,300
Defaulted Exposures	88,175	-	88,175
Total On-Balance Sheet Exposures	6,676,843	47,848	6,724,691
<u>Off-Balance Sheet Exposures</u>			
OTC Derivatives	208,124	25	208,149
Non-OTC Derivatives	37,599	-	37,599
Total Off-Balance Sheet Exposures	245,723	25	245,748
Total Gross Credit Exposures	6,922,566	47,873	6,970,439

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

(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 2020	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	-	-	-	26,834	63,712	-	282,756	1,352,511	-	350,138	-	179,021	2,254,972
Banks, DFIs & MDBs	-	-	-	-	-	-	-	1,860,558	-	-	-	-	1,860,558
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	1,675	-	-	-	-	1,675
Corporates	91,180	1,672	60,684	85,477	160,608	113,946	85,472	329,597	55,944	42,313	36,200	98,918	1,162,011
Regulatory Retail	-	-	8,035	-	4,968	156	29,108	202,380	69,368	9,649	179,095	-	502,759
Other assets	-	-	-	-	-	-	-	-	-	-	-	278,350	278,350
Defaulted Exposures	-	-	-	-	36,545	-	8,249	3,115	30,676	3,484	-	-	82,069
Total On-Balance Sheet Exposures	91,180	1,672	68,719	112,311	265,833	114,102	405,585	3,749,836	155,988	405,584	215,295	556,289	6,142,394
<u>Off-Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	309,386	-	-	-	-	309,386
Non-OTC Derivatives	-	-	10,000	2,250	23,657	-	600	24	-	-	2,725	-	39,256
Total Off-Balance Sheet Exposures	-	-	10,000	2,250	23,657	-	600	309,410	-	-	2,725	-	348,642
Total Gross Credit Exposures	91,180	1,672	78,719	114,561	289,490	114,102	406,185	4,059,246	155,988	405,584	218,020	556,289	6,491,036

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 30 June 2020	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	-	-	-	26,834	63,712	-	282,756	1,352,511	-	350,138	-	179,021	2,254,972
Banks, DFIs & MDBs	-	-	-	-	-	-	-	1,480,333	-	-	-	-	1,480,333
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	1,675	-	-	-	-	1,675
Corporates	91,180	-	58,123	82,831	159,771	113,946	82,061	239,882	55,944	42,313	36,200	98,918	1,061,169
Regulatory Retail	-	-	8,035	-	4,968	156	29,108	202,380	69,368	9,649	179,095	-	502,759
Other assets	-	-	-	-	-	-	-	-	-	-	-	125,288	125,288
Defaulted Exposures	-	-	-	-	36,545	-	8,249	3,115	30,676	3,484	-	-	82,069
Total On-Balance Sheet Exposures	91,180	-	66,158	109,665	264,996	114,102	402,174	3,279,896	155,988	405,584	215,295	403,227	5,508,265
<u>Off-Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	309,386	-	-	-	-	309,386
Non-OTC Derivatives	-	-	10,000	2,250	23,657	-	600	24	-	-	2,725	-	39,256
Total Off-Balance Sheet Exposures	-	-	10,000	2,250	23,657	-	600	309,410	-	-	2,725	-	348,642
Total Gross Credit Exposures	91,180	-	76,158	111,915	288,653	114,102	402,774	3,589,306	155,988	405,584	218,020	403,227	5,856,907

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 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	-	-	-	167,546	372,926	-	134,088	1,976,965	-	867,065	-	151,817	3,670,407
Banks, DFIs & MDBs	-	-	-	-	-	-	-	824,475	-	-	-	-	824,475
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	307	-	-	-	-	307
Corporates	108,826	17,284	118,724	237,602	333,027	126,110	136,331	631,123	222,957	165,129	39,651	-	2,136,764
Regulatory Retail	7,647	-	15,351	-	4,961	29,553	28,122	49,996	168,069	-	159,166	46,675	509,540
Other assets	-	-	-	-	-	-	-	-	-	-	-	362,308	362,308
Defaulted Exposures	-	1,051	14,909	-	36,545	-	9,784	4,220	14,100	7,566	-	-	88,175
Total On-Balance Sheet Exposures	116,473	18,335	148,984	405,148	747,459	155,663	308,325	3,487,086	405,126	1,039,760	198,817	560,800	7,591,976
<u>Off-Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	208,149	-	-	-	-	208,149
Non-OTC Derivatives	500	600	10,000	24,022	-	-	400	24	-	-	2,053	-	37,599
Total Off-Balance Sheet Exposures	500	600	10,000	24,022	-	-	400	208,173	-	-	2,053	-	245,748
Total Gross Credit Exposures	116,973	18,935	158,984	429,170	747,459	155,663	308,725	3,695,259	405,126	1,039,760	200,870	560,800	7,837,724

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 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	-	-	-	167,546	372,926	-	134,088	1,976,965	-	867,065	-	151,817	3,670,407
Banks, DFIs & MDBs	-	-	-	-	-	-	-	334,712	-	-	-	-	334,712
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	307	-	-	-	-	307
Corporates	108,826	15,612	116,163	234,956	332,190	126,110	132,920	544,736	222,957	165,129	39,651	-	2,039,250
Regulatory Retail	7,647	-	15,351	-	4,961	29,553	28,122	49,996	168,069	-	159,166	46,675	509,540
Other assets	-	-	-	-	-	-	-	-	-	-	-	82,300	82,300
Defaulted Exposures	-	1,051	14,909	-	36,545	-	9,784	4,220	14,100	7,566	-	-	88,175
Total On-Balance Sheet Exposures	116,473	16,663	146,423	402,502	746,622	155,663	304,914	2,910,936	405,126	1,039,760	198,817	280,792	6,724,691
<u>Off-Balance Sheet Exposures</u>													
OTC Derivatives	-	-	-	-	-	-	-	208,149	-	-	-	-	208,149
Non-OTC Derivatives	500	600	10,000	24,022	-	-	400	24	-	-	2,053	-	37,599
Total Off-Balance Sheet Exposures	500	600	10,000	24,022	-	-	400	208,173	-	-	2,053	-	245,748
Total Gross Credit Exposures	116,973	17,263	156,423	426,524	746,622	155,663	305,314	3,119,109	405,126	1,039,760	200,870	280,792	6,970,439

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

(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 2020 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	236,206	731,372	1,273,539	13,855	2,254,972
Banks, DFIs & MDBs	1,796,719	62,156	1,683	-	1,860,558
Insurance Companies, Securities Firms & Fund Managers	1,675	-	-	-	1,675
Corporates	334,116	661,653	67,847	98,395	1,162,011
Regulatory Retail	496,618	3,557	2,584	-	502,759
Other assets	-	-	-	278,350	278,350
Defaulted Exposures	38,085	11,909	32,075	-	82,069
Total On-Balance Sheet Exposures	2,903,419	1,470,647	1,377,728	390,600	6,142,394
<u>Off-Balance Sheet Exposures</u>					
OTC Derivatives	115,421	193,965	-	-	309,386
Non-OTC Derivatives	35,266	3,990	-	-	39,256
Total Off-Balance Sheet Exposures	150,687	197,955	-	-	348,642
Total Gross Credit Exposures	3,054,106	1,668,602	1,377,728	390,600	6,491,036

The Bank

As at 30 June 2020 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	236,206	731,372	1,273,539	13,855	2,254,972
Banks, DFIs & MDBs	1,420,753	59,580	-	-	1,480,333
Insurance Companies, Securities Firms & Fund Managers	1,675	-	-	-	1,675
Corporates	330,832	648,963	56,601	24,773	1,061,169
Regulatory Retail	496,618	3,557	2,584	-	502,759
Other assets	-	-	-	125,288	125,288
Defaulted Exposures	38,085	11,909	32,075	-	82,069
Total On-Balance Sheet Exposures	2,524,169	1,455,381	1,364,799	163,916	5,508,265
<u>Off-Balance Sheet Exposures</u>					
OTC Derivatives	115,421	193,965	-	-	309,386
Non-OTC Derivatives	35,266	3,990	-	-	39,256
Total Off-Balance Sheet Exposures	150,687	197,955	-	-	348,642
Total Gross Credit Exposures	2,674,856	1,653,336	1,364,799	163,916	5,856,907

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group

As at 31 December 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	5,065	500,650	3,012,875	151,817	3,670,407
Banks, DFIs & MDBs	798,377	23,358	2,740	-	824,475
Insurance Companies, Securities Firms & Fund Managers	307	-	-	-	307
Corporates	532,156	1,147,755	163,363	293,490	2,136,764
Regulatory Retail	503,831	3,399	2,310	-	509,540
Other assets	-	-	-	362,308	362,308
Defaulted Exposures	69,682	18,493	-	-	88,175
Total On-Balance Sheet Exposures	1,909,418	1,693,655	3,181,288	807,615	7,591,976
<u>Off-Balance Sheet Exposures</u>					
OTC Derivatives	75,420	130,172	2,557	-	208,149
Non-OTC Derivatives	35,922	1,677	-	-	37,599
Total Off-Balance Sheet Exposures	111,342	131,849	2,557	-	245,748
Total Gross Credit Exposures	2,020,760	1,825,504	3,183,845	807,615	7,837,724

The Bank

As at 31 December 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	5,065	500,650	3,012,875	151,817	3,670,407
Banks, DFIs & MDBs	312,873	20,782	1,057	-	334,712
Insurance Companies, Securities Firms & Fund Managers	307	-	-	-	307
Corporates	528,873	1,135,065	152,117	223,195	2,039,250
Regulatory Retail	503,831	3,399	2,310	-	509,540
Other assets	-	-	-	82,300	82,300
Defaulted Exposures	69,682	18,493	-	-	88,175
Total On-Balance Sheet Exposures	1,420,631	1,678,389	3,168,359	457,312	6,724,691
<u>Off-Balance Sheet Exposures</u>					
OTC Derivatives	75,420	130,172	2,557	-	208,149
Non-OTC Derivatives	35,922	1,677	-	-	37,599
Total Off-Balance Sheet Exposures	111,342	131,849	2,557	-	245,748
Total Gross Credit Exposures	1,531,973	1,810,238	3,170,916	457,312	6,970,439

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

- (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 ----- >						
The Group and The Bank	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>		Total RM'000	Written-off RM'000
	12 Month ECL Stage 1 RM'000	Lifetime ECL non Credit Impaired Stage 2 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000		
As at 30 June 2020						
By Sector						
Primary Agriculture	-	-	-	-	-	-
Mining and Quarrying	-	-	2,374	2,374	-	-
Manufacturing (including Agro-based)	-	-	12,849	12,849	-	-
Construction	-	-	36,545	36,545	-	-
Wholesale, Retail Trade, Restaurants and Hotels	-	-	-	-	-	-
Transport, Storage and Communication	-	-	8,423	8,423	-	-
Real Estate	-	-	38,068	38,068	-	-
Education, Health and Others	-	-	20,626	20,626	-	-
Household	-	-	527	527	-	-
Total	-	-	119,412	119,412	-	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group and The Bank	< ----- Expected Credit Losses (ECL) ----- >				
	12 Month ECL Stage 1 RM'000	Lifetime ECL non Credit Impaired Stage 2 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000	Written-off RM'000
As at 30 June 2020					
By Sector					
Primary Agriculture	182	-	-	182	-
Mining and Quarrying	-	-	2,374	2,374	-
Manufacturing (including Agro-based)	-	1,116	12,849	13,965	-
Construction	120	-	-	120	-
Wholesale, Retail Trade, Restaurants and Hotels	24	-	-	24	-
Transport, Storage and Communication	80	1,849	174	2,103	-
Finance, Insurance and Business Activities	21	-	-	21	-
Real Estate	199	1	7,393	7,593	-
Education, Health and Others	-	-	17,142	17,142	-
Household	52	-	527	579	-
Total	678	2,966	40,459	44,103	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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		
As at 31 December 2019	Stage 1	Stage 2	Stage 3	Total	Written-off
By Sector	RM'000	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	-	-	-	-	-
Mining and Quarrying	-	-	2,581	2,581	-
Manufacturing (including Agro-based)	-	-	14,952	14,952	-
Construction	-	-	36,545	36,545	-
Wholesale, Retail Trade, Restaurants and Hotels	-	-	-	-	(94)
Transport, Storage and Communication	-	-	9,958	9,958	-
Real Estate	-	-	14,119	14,119	-
Education, Health and Others	-	-	20,626	20,626	-
Household	-	-	1	1	(1)
Total	-	-	98,782	98,782	(95)

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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		
As at 31 December 2019	Stage 1	Stage 2	Stage 3	Total	Written-off
By Sector	RM'000	RM'000	RM'000	RM'000	RM'000
Primary Agriculture	175	-	-	175	-
Mining and Quarrying	-	-	1,530	1,530	-
Manufacturing (including Agro-based)	255	676	43	974	-
Construction	230	-	-	230	-
Wholesale, Retail Trade, Restaurants and Hotels	49	-	-	49	(94)
Transport, Storage and Communication	686	-	174	860	-
Finance, Insurance and Business Activities	18	-	-	18	-
Real Estate	555	-	20	575	-
Education, Health and Others	-	-	13,059	13,059	-
Household	39	-	1	40	(1)
Total	2,007	676	14,827	17,510	(95)

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

- (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 ----- >						
The Group and The Bank	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>		Total	Written-off
	12 Month ECL Stage 1	Lifetime ECL non Credit Impaired Stage 2	Lifetime ECL Credit Impaired Stage 3	Total		
As at 30 June 2020	RM'000	RM'000	RM'000	RM'000	RM'000	-
By Geographical Distribution						
Malaysia	-	-	119,412	119,412	119,412	-
Other Countries	-	-	-	-	-	-
Total	-	-	119,412	119,412	119,412	-

< ----- Expected Credit Losses (ECL) ----- >						
The Group and The Bank	Lifetime ECL non Credit Impaired		Lifetime ECL Credit Impaired		Total	Written-off
	12 Month ECL Stage 1	Stage 2	Stage 3	Total		
As at 30 June 2020	RM'000	RM'000	RM'000	RM'000	RM'000	-
By Geographical Distribution						
Malaysia	678	2,966	40,459	44,103	44,103	-
Other Countries	-	-	-	-	-	-
Total	678	2,966	40,459	44,103	44,103	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 ----- >						
	<u>Past Due But Not Credit-impaired</u>		<u>Impaired</u>		Total	Written-off
	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	RM'000	RM'000
As at 31 December 2019						
By Geographic Distribution						
Malaysia	-	-	98,782	98,782	98,782	(95)
Other Countries	-	-	-	-	-	-
Total	-	-	98,782	98,782	98,782	(95)

< ----- Expected Credit Losses (ECL) ----- >						
	Lifetime ECL non Credit Impaired		Lifetime ECL Credit Impaired		Total	Written-off
	12 Month ECL Stage 1	Stage 2	Stage 3	Total		
The Group and The Bank	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 31 December 2019						
By Geographical Distribution						
Malaysia	2,007	676	14,827	17,510	17,510	(95)
Other Countries	-	-	-	-	-	-
Total	2,007	676	14,827	17,510	17,510	(95)

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

(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
	30.06.2020	30.06.2020	30.06.2020	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Expected credit loss				
At beginning of the financial year	17,510	2,007	676	14,827
Total transfer between stages (other than write-offs)	-	116	1,035	(1,151)
Loans/Financing derecognised during the financial year (other than write-offs)	(128)	(107)	(21)	-
New loans/financing originated or purchased	3	3	-	-
Changes due to change in credit risk	26,708	(1,374)	1,299	26,783
Changes in models/risk parameters	-	-	-	-
Write-off	-	-	-	-
Other adjustments:				
- Foreign exchange and other adjustments	10	33	(23)	-
At the end of the financial year	44,103	678	2,966	40,459

The Group and the Bank

		12 months ECL	Lifetime ECL non Credit Impaired	Lifetime ECL Credit Impaired
	Total	Stage 1	Stage 2	Stage 3
	31.12.2019	31.12.2019	31.12.2019	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Expected credit loss				
At beginning of the financial year	9,861	4,065	223	5,573
Total transfer between stages (other than write-offs)	-	(292)	55	237
New loans/financing originated or purchased	92	92	-	-
Changes due to change in credit risk	7,883	(1,624)	395	9,112
Changes in models/risk parameters	93	90	3	-
Write-off	(95)	-	-	(95)
Other adjustments:				
- Foreign exchange and other adjustments	(8)	(8)	-	-
At the end of the financial year	17,510	2,007	676	14,827

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

4.3 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 / Central Banks		Insurance Companies, Securities Firms & Fund Managers	Regulatory Corporates	Regulatory Retail	Other Assets	Default (On Balance Sheet)	OTC Derivatives	Non-OTC Derivatives	Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
As at 30 June 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Risk Weights											
0%	2,254,972	-	-	-	-	38	-	-	-	2,255,010	-
20%	-	1,851,373	-	403,107	-	39,799	-	218,386	-	2,512,665	502,533
50%	-	7,502	-	99,770	-	-	6,599	4,650	-	118,521	59,260
75%	-	-	-	-	16,943	-	-	-	-	16,943	12,707
100%	-	1,683	1,675	637,648	-	238,513	-	86,350	39,256	1,005,125	1,005,125
150%	-	-	-	-	-	-	75,470	-	-	75,470	113,205
Total	2,254,972	1,860,558	1,675	1,140,525	16,943	278,350	82,069	309,386	39,256	5,983,734	1,692,830
Deduction from total capital	-	-	-	-	-	3,062	-	-	-	3,062	-
Average risk weight											28%

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

Exposure after netting and credit risk mitigation													
The Bank	Insurance Companies, Securities Firms & Fund Managers						Regulatory	Other	Default (On	Non-OTC		Total Exposures	Total Risk
As at 30 June 2020	Sovereign / Central Banks	Banks, DFIs & MDBs	Managers	Corporates	Retail	Assets	Balance Sheet)	OTC Derivatives	Derivatives	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%	2,254,972	-	-	-	-	36	-	-	-	-	2,255,008	-	
20%	-	1,479,802	-	402,084	-	39,798	-	218,386	-	-	2,140,070	428,014	
50%	-	531	-	87,839	-	-	6,599	4,650	-	-	99,619	49,810	
75%	-	-	-	-	16,943	-	-	-	-	-	16,943	12,707	
100%	-	-	1,675	549,760	-	85,454	-	86,350	39,256	-	762,495	762,495	
150%	-	-	-	-	-	-	75,470	-	-	-	75,470	113,205	
Total	2,254,972	1,480,333	1,675	1,039,683	16,943	125,288	82,069	309,386	39,256	5,349,605	1,366,231		
Deduction from total capital	-	-	-	-	-	133,184	-	-	-	-	133,184	-	
Average risk weight												26%	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

Exposure after netting and credit risk mitigation												
The Group	Insurance Companies, Securities Firms & Fund Managers						Regulatory	Other	Default (On	Non-OTC	Total Exposures	Total Risk
As at 31	Sovereign / Central	Banks, DFIs	& Fund	Corporates	Retail	Assets	Balance	OTC Derivatives	Derivatives	after Netting &	Weighted	
December 2019	Banks	& MDBs	Managers				Sheet)			Credit Risk	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	
0%	3,649,110	-	-	-	-	38	-	-	-	3,649,148	-	
20%	21,297	819,803	-	960,496	-	-	-	147,347	-	1,948,943	389,789	
50%	-	2,989	-	111,472	-	-	12,837	5,575	-	132,873	66,437	
75%	-	-	-	-	6,054	-	-	-	30	6,084	4,563	
100%	-	1,683	307	1,037,474	-	362,270	-	55,227	37,569	1,494,530	1,494,530	
150%	-	-	-	-	-	-	75,338	-	-	75,338	113,007	
Total	3,670,407	824,475	307	2,109,442	6,054	362,308	88,175	208,149	37,599	7,306,916	2,068,326	
Deduction from total capital	-	-	-	-	-	3,594	-	-	-	3,594	-	
Average risk weight											28%	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

Exposure after netting and credit risk mitigation											
The Bank			Insurance Companies, Securities Firms & Fund Managers	Regulatory	Other	Default (On Balance Sheet)	OTC Derivatives	Non-OTC Derivatives	Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets	
As at 31 December 2019	Sovereign / Central Banks	Banks, DFIs & MDBs	Corporates	Retail	Assets						
Risk Weights	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
0%	3,649,110	-	-	-	-	35	-	-	-	3,649,145	-
20%	21,297	334,712	-	959,483	-	-	147,347	-	-	1,462,839	292,568
50%	-	-	-	99,541	-	-	12,837	5,575	-	117,953	58,976
75%	-	-	-	-	6,054	-	-	-	30	6,084	4,563
100%	-	-	307	952,903	-	82,265	-	55,227	37,569	1,128,271	1,128,271
150%	-	-	-	-	-	-	75,338	-	-	75,338	113,007
Total	3,670,407	334,712	307	2,011,927	6,054	82,300	88,175	208,149	37,599	6,439,630	1,597,385
Deduction from total capital	-	-	-	-	-	131,384	-	-	-	131,384	-
Average risk weight											25%

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

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

Table 10A: Long Term Credit Rating Category by ECAIs under Standardised Approach

Rating Category	External Credit Assessment Institutions (ECAIs)					
	S&P	Moody's	Fitch	R&I	RAM	MARC
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	AAA to AA3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	BBB1 to BBB3	BBB+ to BBB-
4	BB+ to B-	Ba1 to B3	BB+ to B-	BB+ to B-	BB1 to B3	BB+ to B-
5	CCC+ to D	Caa1 to C	CCC+ to D	CCC+ to C	C1 to D	C+ to D
Unrated	Unrated					

Table 10B: Long term Credit Rating Risk Weight Category by ECAIs 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%

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 BNM 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 & European	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 commercial entities)	1250%

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

The following table shows rated and unrated exposure to Banking Institution, Corporate and Sovereign and Central Banks using of long term ratings by the ECAs and Preferential Risk Weight.

Table 12: Gross Credit Risk Exposure (Long Term)

The Group As at 30 June 2020 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	64,719	-	-	-	-	2,190,253	-	-	-	-	-	-	-	-	2,254,972
Banks, DFIs and MDBs	-	2,069,759	12,152	-	-	-	-	-	-	-	-	1,683	-	-	2,083,594
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	6,800	-	-	6,800
Corporates	-	403,106	99,769	11,116	-	-	-	-	-	-	-	768,501	-	-	1,282,492
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	502,759	-	-	-	502,759
Other Assets	-	-	-	-	-	36	-	-	39,799	-	-	238,515	-	-	278,350
Defaulted Exposures	-	-	-	-	-	-	-	-	-	6,599	-	-	75,470	-	82,069
Total	64,719	2,472,865	111,921	11,116	-	2,190,289	-	-	39,799	6,599	502,759	1,015,499	75,470	-	6,491,036

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank As at 30 June 2020 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	64,719	-	-	-	-	2,190,253	-	-	-	-	-	-	-	-	2,254,972
Banks, DFIs and MDBs	-	1,698,188	5,181	-	-	-	-	-	-	-	-	-	-	-	1,703,369
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	6,800	-	-	6,800
Corporates	-	402,083	87,839	-	-	-	-	-	-	-	-	691,728	-	-	1,181,650
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	502,759	-	-	-	502,759
Other Assets	-	-	-	-	-	36	-	-	39,799	-	-	85,453	-	-	125,288
Defaulted Exposures	-	-	-	-	-	-	-	-	-	6,599	-	-	75,470	-	82,069
Total	64,719	2,100,271	93,020	-	-	2,190,289	-	-	39,799	6,599	502,759	783,981	75,470	5,856,907	

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group As at 31 December 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	-	21,297	-	-	-	3,649,110	-	-	-	-	-	-	-	-	3,670,407
Banks, DFIs and MDBs	-	967,150	8,564	-	-	-	-	-	-	-	-	1,683	-	-	977,397
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	4,705	-	-	4,705
Corporates	-	960,497	111,471	11,116	-	-	-	-	-	-	-	1,142,078	-	-	2,225,162
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	509,570	-	-	-	509,570
Other Assets	-	-	-	-	-	35	-	-	-	-	-	362,273	-	-	362,308
Defaulted Exposures	-	-	-	-	-	-	-	-	-	12,837	-	-	75,338	-	88,175
Total	-	1,948,944	120,035	11,116	-	3,649,145	-	-	-	12,837	509,570	1,510,739	75,338	-	7,837,724

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank As at 31 December 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	-	21,297	-	-	-	3,649,110	-	-	-	-	-	-	-	-	3,670,407
Banks, DFIs and MDBs	-	482,059	5,575	-	-	-	-	-	-	-	-	-	-	-	487,634
<u>Credit Exposures (using Corporate Risk Weights)</u>															
Insurance Companies, Securities															
Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	4,705	-	-	4,705
Corporates	-	959,483	99,541	-	-	-	-	-	-	-	-	1,068,624	-	-	2,127,648
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	509,570	-	-	-	509,570
Other Assets	-	-	-	-	-	35	-	-	-	-	-	82,265	-	-	82,300
Defaulted Exposures	-	-	-	-	-	-	-	-	-	12,837	-	-	75,338	-	88,175
Total	-	1,462,839	105,116	-	-	3,649,145	-	-	-	12,837	509,570	1,155,594	75,338	-	6,970,439

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

(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 ECAs under Standardised Approach

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

Table 14: Short term Credit Rating Risk Weight Category by ECAs 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%

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 Risk Weight / 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%	100%	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	RM'000
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	-	-	-	-	-	-	-	-	-	-	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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%	100%	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	RM'000
As at 31 December 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	-	-	-	-	-	-	-	-	-	-	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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 2020	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	2,254,972	-	-	-
Banks, DFIs and MDBs	1,860,558	-	-	-
Insurance Companies, Securities Firms & Fund Managers	1,675	-	-	-
Corporates	1,162,011	-	21,486	-
Regulatory Retail	502,759	-	485,816	-
Other assets	278,350	-	-	-
Defaulted exposures	82,069	-	-	-
Total On-Balance Sheet Exposures	6,142,394	-	507,302	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	309,386	-	-	-
Non-OTC Derivatives	39,256	-	-	-
Total Off-Balance Sheet Exposures	348,642	-	-	-
Total Gross Credit Exposures	6,491,036	-	507,302	-
The Bank				
As at 30 June 2020	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	2,254,972	-	-	-
Banks, DFIs and MDBs	1,480,333	-	-	-
Insurance Companies, Securities Firms & Fund Managers	1,675	-	-	-
Corporates	1,061,169	-	21,486	-
Regulatory Retail	502,759	-	485,816	-
Other assets	125,288	-	-	-
Defaulted exposures	82,069	-	-	-
Total On-Balance Sheet Exposures	5,508,265	-	507,302	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	309,386	-	-	-
Non-OTC Derivatives	39,256	-	-	-
Total Off-Balance Sheet Exposures	348,642	-	-	-
Total Gross Credit Exposures	5,856,907	-	507,302	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Group	Exposures before CRM	Exposures Covered by Guarantees	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,670,407	-	-	-
Banks, DFIs and MDBs	824,475	-	-	-
Insurance Companies, Securities Firms & Fund Managers	307	-	-	-
Corporates	2,136,764	-	27,322	-
Regulatory Retail	509,540	-	503,486	-
Other assets	362,308	-	-	-
Defaulted exposures	88,175	-	-	-
Total On-Balance Sheet Exposures	7,591,976	-	530,808	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	208,149	-	-	-
Non-OTC Derivatives	37,599	-	-	-
Total Off-Balance Sheet Exposures	245,748	-	-	-
Total Gross Credit Exposures	7,837,724	-	530,808	-
The Bank				
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
Exposure Class				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,670,407	-	-	-
Banks, DFIs and MDBs	334,712	-	-	-
Insurance Companies, Securities Firms & Fund Managers	307	-	-	-
Corporates	2,039,250	-	27,322	-
Regulatory Retail	509,540	-	503,486	-
Other assets	82,300	-	-	-
Defaulted exposures	88,175	-	-	-
Total On-Balance Sheet Exposures	6,724,691	-	530,808	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	208,149	-	-	-
Non-OTC Derivatives	37,599	-	-	-
Total Off-Balance Sheet Exposures	245,748	-	-	-
Total Gross Credit Exposures	6,970,439	-	530,808	-

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

4.5 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	Positive Fair	Credit	Risk
As at 30 June 2020	Amount	Value of	Equivalent	Weighted
Description	RM'000	Derivative	Amount	Assets
	RM'000	Contracts	RM'000	RM'000
Transaction related contingent Items	89,106	-	32,178	32,178
Foreign exchange related contracts				
One year or less	4,648,104	43,848	111,788	59,593
Over one year to five years	876,459	13,097	76,302	47,104
Interest rate related contracts				
One year or less	560,000	2,833	3,633	772
Over one year to five years	2,780,000	53,963	117,663	24,883
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	7,994	-	3,990	3,990
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	15,441	-	3,088	3,088
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	623,102	-	-	-
Total	9,600,206	113,741	348,642	171,608

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank	Principal	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
As at 30 June 2020	Amount	RM'000	RM'000	RM'000
Description	RM'000	RM'000	RM'000	RM'000
Transaction related contingent Items	89,106	-	32,178	32,178
Foreign exchange related contracts				
One year or less	4,648,104	42,922	111,788	59,593
Over one year to five years	876,459	13,097	76,302	47,104
Over five years	-	-	-	-
Interest rate related contracts				
One year or less	560,000	2,833	3,633	772
Over one year to five years	2,780,000	53,963	117,663	24,883
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	7,994	-	3,990	3,990
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	15,441	-	3,088	3,088
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	623,102	-	-	-
Total	9,600,206	112,815	348,642	171,608

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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
Description	RM'000	RM'000	RM'000	RM'000
As at 31 December 2019				
Transaction related contingent Items	91,106	-	33,178	33,178
Forward Asset Purchases	-	-	-	-
Foreign exchange related contracts				
One year or less	3,407,478	24,556	73,505	35,208
Over one year to five years	720,391	12,686	58,953	35,465
Interest rate related contracts				
One year or less	850,000	565	1,915	495
Over one year to five years	2,230,000	13,719	71,219	15,804
Over five years	30,000	1,057	2,557	511
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	3,361	-	1,677	1,677
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	13,721	-	2,744	2,737
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	507,889	-	-	-
Total	7,853,946	52,583	245,748	125,075

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

The Bank	Principal	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
As at 31 December 2019	Amount	RM'000	RM'000	RM'000
Description	RM'000	RM'000	RM'000	RM'000
Transaction related contingent Items	91,106	-	33,178	33,178
Forward Asset Purchases	-	-	-	-
Foreign exchange related contracts				
One year or less	3,407,478	23,558	73,505	35,208
Over one year to five years	720,391	12,686	58,953	35,465
Interest rate related contracts				
One year or less	850,000	565	1,915	495
Over one year to five years	2,230,000	13,719	71,219	15,804
Over five years	30,000	1,057	2,557	511
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	3,361	-	1,677	1,677
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	13,721	-	2,744	2,737
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	507,889	-	-	-
Total	7,853,946	51,585	245,748	125,075

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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	Fair Value	Risk Weighted
As at 30 June 2020		Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	37,697	37,697
Privately held	59,675	59,675
Total	97,372	97,372

	RM'000
Cumulative realised gains/(losses) from sales and liquidations of equity investments	4,560
Total unrealised gains/(losses) in other comprehensive income	(253)

The Bank	Fair Value	Risk Weighted
As at 30 June 2020		Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	114	114
Privately held	24,660	24,660
Total	24,774	24,774

	RM'000
Cumulative realised gains/(losses) from sales and liquidations of equity investments	4,088
Total unrealised gains/(losses) in other comprehensive income	(383)

Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

Table 18: Equities under Banking Book (Continued)

The Group	Fair Value	Risk Weighted
As at 31 December 2019		Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	37,697	113
Privately held	254,779	254,779
Total	292,476	254,892

	RM'000
Cumulative realised gains/(losses) from sales and liquidations of equity investments	8,833

Total unrealised gains/(losses) in other comprehensive income	8,149
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The Bank	Fair Value	Risk Weighted
As at 31 December 2019		Assets
Type of Equity Investments	RM'000	RM'000
Publicly traded	113	113
Privately held	223,082	223,082
Total	223,195	223,195

	RM'000
Cumulative realised gains/(losses) from sales and liquidations of equity investments	6,409

Total unrealised gains/(losses) in other comprehensive income	4,291
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Affin Hwang Investment Bank Berhad

(Incorporated in Malaysia)

PILLAR 3 DISCLOSURES

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

As at 30 June 2020	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	(1,461)	1,461	(1,461)	1,461
USD	(158)	158	(167)	167
SGD	474	(474)	474	(474)
Others	-	-	-	-
Total	(1,146)	1,146	(1,155)	1,155
~Impact on Economic Value				
MYR	109,114	(109,114)	109,099	(109,099)
USD	1,351	(1,351)	36	(36)
SGD	698	(698)	698	(698)
Others	-	-	-	-
Total	111,163	(111,163)	109,834	(109,834)
As at 31 December 2019	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	(26,233)	26,233	(26,233)	26,233
USD	(2,063)	2,063	(2,089)	2,089
SGD	167	(167)	167	(167)
Others	-	-	-	-
Total	(28,129)	28,129	(28,155)	28,155
~Impact on Economic Value				
MYR	245,775	(245,775)	245,752	(245,752)
USD	2,874	(2,874)	1,376	(1,376)
SGD	1,728	(1,728)	1,728	(1,728)
Others	-	-	-	-
Total	250,377	(250,377)	248,855	(248,855)

* 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.