



ALLIANCE FINANCIAL GROUP

Alliance Financial Group Berhad (6627-X)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 51st Annual General Meeting of Alliance Financial Group Berhad will be held at the Grand Ballroom, Level 2, InterContinental Kuala Lumpur, 165 Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 12 July 2017 at 10.30 a.m. for the following purposes:

AGENDA

As Ordinary Business

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| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2017 together with the Reports of the Directors and Auditors thereon. | Please refer to Explanatory Note (i) |
| 2. To approve the payment of Directors' fees and Board Committees' fees amounting to RM663,563 in respect of the financial year ended 31 March 2017. | Ordinary Resolution 1 |
| 3. To approve Directors' benefits (other than Directors' fees and Board Committees' fees) up to an amount of RM320,000 from 31 January 2017 to the next Annual General Meeting of the Company. | Ordinary Resolution 2 |
| 4. To re-elect Mr Lee Ah Boon who retires by rotation pursuant to Article 82 of the Company's Articles of Association. | Ordinary Resolution 3 |
| 5. To re-elect Mr Tan Chian Khong who retires pursuant to Article 89 of the Company's Articles of Association. | Ordinary Resolution 4 |
| 6. To re-appoint Mr Kung Beng Hong as a Director of the Company. | Ordinary Resolution 5 |
| 7. To re-appoint Datuk Oh Chong Peng as a Director of the Company. | Ordinary Resolution 6 |
| 8. To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and authorise the Directors to fix their remuneration. | Ordinary Resolution 7 |

As Special Business

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

9. **Retention of Independent Director**
- "THAT Datuk Oh Chong Peng who has served as an Independent Director of the Company for a cumulative term of more than 9 years be and is hereby retained as an Independent Director of the Company."
10. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and/or the Companies Act 2016.

BY ORDER OF THE BOARD

LEE WEI YEN (MAICSA 7001798)
Group Company Secretary

Kuala Lumpur
19 June 2017

Notes:

- A Member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a Member of the Company.
- To be valid, the Form of Proxy, duly completed must be deposited at the registered office of the Company at 3rd Floor, Menara Multi-Purpose, Capital Square, No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time set for holding the meeting.
- A Member who is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- A Member other than an Exempt Authorised Nominee shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
- Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.
- A Member whose name appears in the General Meeting Record of Depositors as at 3 July 2017 shall be regarded as a Member entitled to attend, speak and vote at the meeting or appoint a proxy or proxies to attend and/or vote in his stead.
- By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purposes of this Annual General Meeting and any adjournment thereof.

EXPLANATORY NOTES

(i) Item 1 on the Agenda – Audited Financial Statements for the financial year ended 31 March 2017

This Agenda item is laid before the Annual General Meeting pursuant to Section 340(1) of the Companies Act 2016, and does not require a formal approval of the shareholders. As such, it is meant for discussion only and not put forward for voting.

(ii) Ordinary Resolution 2 – Directors' Benefits (other than Directors' Fees and Board Committee Fees)

The Directors' Benefits (other than Directors' fees and Board Committees' fees) comprise attendance allowances and other benefits for Non-Executive Directors, as set out below:

- Attendance allowance – RM1,100 per meeting
- Company car and driver allowance (for Chairman only) – RM31,500 per annum
- Other benefits - Insurance coverage, retirement farewell gift and other claimable benefits

In determining the estimated total amount of Directors' benefits, the Board has considered various factors including the estimated number of meetings for the Board and Board Committees in the financial year ending 31 March 2018 and assuming that the Company continues to be listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") until the next Annual General Meeting.

(iii) Ordinary Resolution 5 – To re-appoint Mr Kung Beng Hong as a Director of the Company

Mr Kung Beng Hong who was re-appointed as a Director pursuant to Section 129 of the Companies Act, 1965 at the last Annual General Meeting to hold office until the conclusion of the forthcoming Annual General Meeting has, being eligible, offered himself for re-appointment as a Director.

(iv) Ordinary Resolution 6 – To re-appoint Datuk Oh Chong Peng as Director of the Company

Datuk Oh Chong Peng who was re-appointed as a Director pursuant to Section 129 of the Companies Act, 1965 at the last Annual General Meeting to hold office until the conclusion of the forthcoming Annual General Meeting has, being eligible, offered himself for re-appointment as a Director.

(v) Ordinary Resolution 8 - Retention of Independent Director

Datuk Oh Chong Peng, who was first appointed to the Board as an Independent Director on 21 April 2006, has served the Board for 11 years. The Nomination Committee has assessed the independence of Datuk Oh Chong Peng and was satisfied that he met the criteria for independence as stipulated in the Main Market Listing Requirements of Bursa Securities and Bank Negara Malaysia's Policy Document on Corporate Governance.

Being an Independent Director who does not hold any other directorship within the Group, Datuk Oh Chong Peng is independent in character and judgment, and free from associations or circumstances that may impair the exercise of his independent judgment. He consistently demonstrates the values and principles associated with independence during Board and Board Committees' discussions. His independent judgment is not compromised by amongst others, familiarity or close relationship with Management or other Board Members. On recommendation of the Nomination Committee, the Board has approved the retention of Datuk Oh Chong Peng as an Independent Director subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

The proposed resolution which is in line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, will enable Datuk Oh Chong Peng to hold office as an Independent Director until the conclusion of the next Annual General Meeting.

Statement Accompanying Notice of 51st Annual General Meeting (Pursuant to Paragraph 8.27(2) of Bursa Securities Main Market Listing Requirements)

The profiles of the Directors who are standing for re-election/re-appointment at the 51st Annual General Meeting are provided in the Profiles of Directors as set out on pages 17 to 25 of the Annual Report. None of the said Directors have any interests in the securities of the Company or in any of the Company's related corporation.