Company No.
716122 P

**ASIAN FINANCE BANK BERHAD**
(Incorporated in Malaysia)

# BASEL II PILLAR 3 - CAPITAL ADEQUACY FRAMEWORK FOR ISLAMIC BANKS ("CAFIB") DISCLOSURES FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017

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**BASEL II PILLAR 3 - CAPITAL ADEQUACY FRAMEWORK FOR ISLAMIC BANKS ("CAFIB") DISCLOSURES**

The purpose of this disclosure is to provide the information in accordance with Bank Negara Malaysia ("BNM") Capital Adequacy Framework for Islamic Bank (CAFIB - BASEL II) - Disclosure Requirements (Pillar 3) Guideline. This supplements the related information in the Note 22 to the Interim Financial Statements.

**22. Capital adequacy**

Capital management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the banking markets where the entities within the Bank operate;
- To safeguard the Bank ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

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## 22. Capital adequacy (continued)

| | Economic Entity and Bank | |
|---|---|---|
| | **30-Jun-17** | 31-Dec-16 |
| | **RM** | RM |
| CET1 Capital | | |
| Paid-up ordinary share capital | **532,530,020** | 532,530,020 |
| Accumulated losses | **(58,716,063)** | (53,094,267) |
| AFS revaluation reserve | **366,689** | (777,068) |
| Statutory reserve[1] | **-** | 13,363,710 |
| Regulatory reserve** | **5,233,721** | 5,233,721 |
| | **479,414,367** | 497,256,116 |
| Less : CET1 regulatory adjustments | | |
| Deferred tax assets | **(349,226)** | (349,226) |
| Cumulative losses of AFS financial instruments | **(66,714)** | 562,352 |
| Regulatory reserve attributable to financing** | **(5,233,721)** | (5,233,721) |
| Total CET1 capital | **473,764,706** | 492,235,521 |
| Tier 1 Capital | | |
| Additional Tier 1 capital instruments | **-** | - |
| Less: Tier 1 regulatory adjustments | **-** | - |
| Total Tier 1 capital | **473,764,706** | 492,235,521 |
| Tier II Capital | | |
| Collective impairment/allowance for bad and doubtful financing ^ | **11,067,149** | 11,090,712 |
| Regulatory reserve** | **5,233,721** | 5,233,721 |
| Total Tier II capital | **16,300,870** | 16,324,433 |
| Total capital base | **490,065,576** | 508,559,954 |

Breakdown of risk weighted assets in various categories of risk weights are as follows:

| | **30-Jun-17** | 31-Dec-16 |
|---|---|---|
| | **RM'000** | RM'000 |
| Total risk weighted assets ("RWA") | | |
| - Credit risk | **1,800,093** | 1,952,246 |
| - Market risk | **6,776** | 1,744 |
| - Operational risk | **90,479** | 94,281 |
| Total RWA | **1,897,348** | 2,048,271 |
| Capital ratios | | |
| CET1 capital | **24.970%** | 24.032% |
| Tier 1 capital | **24.970%** | 24.032% |
| Total capital ratio | **25.829%** | 24.829% |

^ Excludes collective assessment impairment allowance attributable to financing and advances classified as impaired but not individually assessed for impaiment pursuant to BNM's Guideline on "Classification and Impairment Provisions for Loans/Financing" issued 6 April 2015

** The regulatory reserve is maintained in aggregate with collective impairment allowance representing financing loss provision required to be maintained at a minimum level of 1.2% of total outstanding financing and advances less individual impairment allowance.

1 The requirement to maintain a reserve fund has been removed pursuant to BNM's Guideline on "Capital Funds for Islamic Banks" issued 3 May 2017, following which the outstanding balance was transferred to retained earning/(loss).

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**ASIAN FINANCE BANK BERHAD**
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**22. Capital adequacy (continued)**

**Economic Entity and Bank**

| 30-Jun-17<br>Exposure Class | Gross Exposures<br>RM'000 | | Net Exposures<br>RM'000 | Risk Weighted Assets<br>RM'000 | Risk Weighted Assets Absorbed by PSIA<br>RM'000 | Total Risk Weighted Assets after effects of PSIA<br>RM'000 | Capital Requirements<br>RM'000 |
|---|---|---|---|---|---|---|---|
| **Credit Risk** | | | | | | | |
| *On-Balance Sheet Exposures* | | | | | | | |
| Sovereigns & Central Banks | - | | - | - | - | - | - |
| Banks, MDBs and FDIs | 19,875 | | 19,875 | - | - | - | - |
| Corporates | 2,023,633 | | 2,023,633 | 1,611,924 | - | 1,611,924 | 290,146 |
| Regulatory Retail | 21,351 | | 21,351 | 16,664 | - | 16,664 | 3,000 |
| Other Assets | - | | - | - | - | - | - |
| Total for On-Balance Sheet Exposures | 2,064,859 | | 2,064,859 | 1,628,588 | - | 1,628,588 | 293,146 |
| *Off-Balance Sheet Exposures* | | | | | | | |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 536,842 | | 215,213 | 171,505 | - | 171,505 | 30,871 |
| Total for Off-Balance Sheet Exposures | 536,842 | | 215,213 | 171,505 | - | 171,505 | 30,871 |
| Total On and Off-Balance Sheet Exposures | 2,601,701 | | 2,280,072 | 1,800,093 | - | 1,800,093 | 324,017 |
| **Market Risk** | **Long Position** | **Short Position** | | | | | |
| Benchmark Rate Risk | - | - | - | - | - | - | - |
| Equity Position Risk | - | - | - | - | - | - | - |
| Foreign Currency Risk | 6,776 | - | 6,776 | 6,776 | - | 6,776 | 1,220 |
| Operational Risk | - | - | - | 90,479 | - | 90,479 | 16,286 |
| Total RWA and Capital Requirements | 2,608,477 | 2,601,701 | 2,286,848 | 1,897,348 | - | 1,897,348 | 341,523 |

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**ASIAN FINANCE BANK BERHAD**
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**22. Capital adequacy (continued)**

**Economic Entity and Bank**
**30-Jun-17**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

| **Risk Weights** | **Sovereigns & Central Banks** | | **Banks, MDBs and FDIs** | | **Corporates** | |
|---|---|---|---|---|---|---|
| **Performing Exposures** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** |
| **0%** | **-** | **-** | **19,875** | **-** | **280,013** | **-** |
| **20%** | **-** | **-** | **51,092** | **10,218** | **250,423** | **50,085** |
| **50%** | **-** | **-** | **251** | **126** | **-** | **-** |
| **75%** | **-** | **-** | **-** | **-** | **-** | **-** |
| **100%** | **-** | **-** | **-** | **-** | **1,473,747** | **1,473,747** |
| **150%** | **-** | **-** | **-** | **-** | **120,163** | **180,244** |
| **Total** | **-** | **-** | **71,218** | **10,344** | **2,124,346** | **1,704,076** |
| **Defaulted Exposures** | | | | | | |
| **0%** | **-** | **-** | **-** | **-** | **-** | **-** |
| **50%** | **-** | **-** | **-** | **-** | **25,629** | **12,815** |
| **100%** | **-** | **-** | **-** | **-** | **-** | **-** |
| **150%** | **-** | **-** | **-** | **-** | **37,397** | **56,095** |
| **Total** | **-** | **-** | **-** | **-** | **63,026** | **68,910** |
| **Total Performing and Defaulted Exposures** | **-** | **-** | **71,218** | **10,344** | **2,187,372** | **1,772,986** |

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**ASIAN FINANCE BANK BERHAD**
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**22. Capital adequacy (continued)**

**Economic Entity and Bank**
**30-Jun-17**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

| **Risk Weights** | **Regulatory Retail** | | **Total Exposure** | **Total Risk Weighted Assets** |
|---|---|---|---|---|
| **Performing Exposures** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** |
| **0%** | **-** | **-** | **299,888** | **-** |
| **20%** | **-** | **-** | **301,515** | **60,303** |
| **50%** | **-** | **-** | **251** | **126** |
| **75%** | **19,633** | **14,725** | **19,633** | **14,725** |
| **100%** | **-** | **-** | **1,473,747** | **1,473,747** |
| **150%** | **-** | **-** | **120,163** | **180,245** |
| **Total** | **19,633** | **14,725** | **2,215,197** | **1,729,145** |
| **Defaulted Exposures** | | | | |
| **0%** | **-** | **-** | **-** | **-** |
| **50%** | **-** | **-** | **25,629** | **12,815** |
| **100%** | **1,473** | **1,473** | **1,473** | **1,473** |
| **150%** | **377** | **565** | **37,774** | **56,661** |
| **Total** | **1,850** | **2,038** | **64,876** | **70,949** |
| **Total Performing and Defaulted Exposures** | **21,483** | **16,763** | **2,280,073** | **1,800,093** |

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**ASIAN FINANCE BANK BERHAD**
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**22. Capital adequacy (continued)**

**Geographic Distribution of Gross Credit Exposures**

| | Inside Malaysia RM'000 | Outside Malaysia RM'000 | Total RM'000 |
|---|---|---|---|
| **Economic Entity and Bank** | | | |
| **30-Jun-17** | | | |
| **Exposure Class** | | | |
| | | | |
| **Gross Credit Exposures** | | | |
| ***On-Balance Sheet Exposures*** | | | |
| Sovereigns & Central Banks | - | - | - |
| Banks, MDBs and FDIs | 19,875 | - | 19,875 |
| Corporates | 2,023,633 | - | 2,023,633 |
| Regulatory Retail | 13,200 | 8,151 | 21,351 |
| Other Assets | - | - | - |
| Total for On-Balance Sheet Exposures | 2,056,708 | 8,151 | 2,064,859 |
| | | | |
| ***Off-Balance Sheet Exposures*** | | | |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 536,334 | 508 | 536,842 |
| Total for Off-Balance Sheet Exposures | 536,334 | 508 | 536,842 |
| | | | |
| Total On and Off-Balance Sheet Exposures | 2,593,042 | 8,659 | 2,601,701 |

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## 22. Capital adequacy (continued)

### Contractual Maturity of Gross Credit Exposures

| | One Year or Less RM'000 | Over One Year to Five Years RM'000 | Over Five Years RM'000 | Total RM'000 |
|---|---|---|---|---|
| **Economic Entity and Bank** | | | | |
| **30-Jun-17** | | | | |
| **Exposure Class** | | | | |
| | | | | |
| **Gross Credit Exposures** | | | | |
| ***On-Balance Sheet Exposures*** | | | | |
| Sovereigns & Central Banks | - | - | - | - |
| Banks, MDBs and FDIs | - | 19,875 | - | 19,875 |
| Corporates | 1,118,126 | 805,507 | 100,000 | 2,023,633 |
| Regulatory Retail | 204 | 921 | 20,226 | 21,351 |
| Other Assets | - | - | - | - |
| Total for On-Balance Sheet Exposures | 1,118,330 | 826,303 | 120,226 | 2,064,859 |
| | | | | |
| ***Off-Balance Sheet Exposures*** | | | | |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 514,253 | 22,372 | 217 | 536,842 |
| Total for Off-Balance Sheet Exposures | 514,253 | 22,372 | 217 | 536,842 |
| | | | | |
| Total On and Off-Balance Sheet Exposures | 1,632,583 | 848,675 | 120,443 | 2,601,701 |

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**22. Capital adequacy (continued)**

**Economic Entity and Bank**

| 31-Dec-16<br>Exposure Class | Gross Exposures<br>RM'000 | | Net Exposures<br>RM'000 | Risk Weighted Assets<br>RM'000 | Risk Weighted Assets Absorbed by PSIA<br>RM'000 | Total Risk Weighted Assets after effects of PSIA<br>RM'000 | Capital Requirements<br>RM'000 |
|---|---|---|---|---|---|---|---|
| **Credit Risk** | | | | | | | |
| ***On-Balance Sheet Exposures*** | | | | | | | |
| Sovereigns & Central Banks | - | | - | - | - | - | - |
| Banks, MDBs and FDIs | 69,795 | | 69,795 | 10,012 | - | 10,012 | 1,802 |
| Corporates | 2,117,012 | | 2,117,012 | 1,797,265 | - | 1,797,265 | 323,508 |
| Regulatory Retail | 22,009 | | 22,009 | 17,190 | - | 17,190 | 3,094 |
| Other Assets | - | | - | - | - | - | - |
| Total for On-Balance Sheet Exposures | 2,208,816 | | 2,208,816 | 1,824,468 | - | 1,824,468 | 328,404 |
| ***Off-Balance Sheet Exposures*** | | | | | | | |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 494,064 | | 150,178 | 127,779 | - | 127,779 | 23,000 |
| Total for Off-Balance Sheet Exposures | 494,064 | | 150,178 | 127,779 | - | 127,779 | 23,000 |
| Total On and Off-Balance Sheet Exposures | 2,702,880 | | 2,358,994 | 1,952,247 | - | 1,952,247 | 351,404 |
| **Market Risk** | Long Position | Short Position | | | | | |
| Benchmark Rate Risk | - | - | - | - | - | - | - |
| Equity Position Risk | - | - | - | - | - | - | - |
| Foreign Currency Risk | 1,744 | 1,379 | 1,744 | 1,744 | - | 1,744 | 314 |
| Operational Risk | - | - | - | 94,281 | - | 94,281 | 16,971 |
| Total RWA and Capital Requirements | 2,704,624 | 2,704,259 | 2,360,738 | 2,048,271 | - | 2,048,271 | 368,689 |

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## 22. Capital adequacy (continued)

**Economic Entity and Bank** Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

**31-Dec-16**

| **Risk Weights** | **Sovereigns & Central Banks** | | **Banks, MDBs and FDIs** | | **Corporates** | |
|---|---|---|---|---|---|---|
| **Performing Exposures** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** |
| **0%** | - | - | 19,734 | - | 250,015 | - |
| **20%** | - | - | 77,804 | 15,561 | 209,993 | 41,999 |
| **50%** | - | - | 251 | 126 | 50,000 | 25,000 |
| **75%** | - | - | - | - | - | - |
| **100%** | - | - | - | - | 1,429,660 | 1,429,660 |
| **150%** | - | - | - | - | 209,692 | 314,538 |
| **Total** | - | - | 97,789 | 15,686 | 2,149,360 | 1,811,197 |
| **Defaulted Exposures** | | | | | | |
| **0%** | - | - | - | - | - | - |
| **50%** | - | - | - | - | 407 | 204 |
| **100%** | - | - | - | - | 51,876 | 51,876 |
| **150%** | - | - | - | - | 37,238 | 55,857 |
| **Total** | - | - | - | - | 89,521 | 107,937 |
| **Total Performing and Defaulted Exposures** | - | - | 97,789 | 15,686 | 2,238,881 | 1,919,133 |

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**22. Capital adequacy (continued)**

**Economic Entity and Bank** Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

**31-Dec-16**

| **Risk Weights** | **Regulatory Retail** | | **Total Exposure** | **Total Risk Weighted Assets** |
|---|---|---|---|---|
| **Performing Exposures** | Exposures after Netting & CRM | ***Risk Weighted Asset*** | Exposures after Netting & CRM | ***Risk Weighted Asset*** |
| **0%** | - | - | 269,749 | - |
| **20%** | - | - | 287,797 | 57,559 |
| **50%** | - | - | 50,251 | 25,126 |
| **75%** | 20,379 | 15,284 | 20,379 | 15,284 |
| **100%** | - | - | 1,429,660 | 1,429,660 |
| **150%** | - | - | 209,692 | 314,538 |
| **Total** | 20,379 | 15,284 | 2,267,528 | 1,842,167 |
| **Defaulted Exposures** | | | | |
| **0%** | - | - | - | - |
| **50%** | - | - | 407 | 204 |
| **100%** | 1,551 | 1,551 | 53,427 | 53,427 |
| **150%** | 394 | 591 | 37,632 | 56,448 |
| **Total** | 1,945 | 2,142 | 91,466 | 110,079 |
| **Total Performing and Defaulted Exposures** | 22,324 | 17,426 | 2,358,994 | 1,952,246 |

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## 22. Capital adequacy (continued)

**Geographic Distribution of Gross Credit Exposures**

| | Inside Malaysia RM'000 | Outside Malaysia RM'000 | Total RM'000 |
|---|---|---|---|
| **Economic Entity and Bank** | | | |
| **31-Dec-16** | | | |
| **Exposure Class** | | | |
| | | | |
| **Gross Credit Exposures** | | | |
| ***On-Balance Sheet Exposures*** | | | |
| **Sovereigns & Central Banks** | - | - | - |
| **Banks, MDBs and FDIs** | 69,795 | - | 69,795 |
| **Corporates** | 2,117,012 | - | 2,117,012 |
| **Regulatory Retail** | 13,974 | 8,035 | 22,009 |
| **Other Assets** | - | - | - |
| **Total for On-Balance Sheet Exposures** | 2,200,781 | 8,035 | 2,208,816 |
| | | | |
| ***Off-Balance Sheet Exposures*** | | | |
| **Off balance sheet exposures other than OTC derivatives or credit derivatives** | 493,187 | 877 | 494,064 |
| **Total for Off-Balance Sheet Exposures** | 493,187 | 877 | 494,064 |
| | | | |
| **Total On and Off-Balance Sheet Exposures** | 2,693,968 | 8,912 | 2,702,880 |

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## 22. Capital adequacy (continued)

**Contractual Maturity of Gross Credit Exposures**

| | One Year or Less RM'000 | Over One Year to Five Years RM'000 | Over Five Years RM'000 | Total RM'000 |
|---|---|---|---|---|
| **Economic Entity and Bank** | | | | |
| **31-Dec-16** | | | | |
| **Exposure Class** | | | | |
| | | | | |
| **Gross Credit Exposures** | | | | |
| *On-Balance Sheet Exposures* | | | | |
| Sovereigns & Central Banks | - | - | - | - |
| Banks, MDBs and FDIs | 50,060 | 19,734 | - | 69,794 |
| Corporates | 1,230,436 | 725,196 | 810 | 1,956,442 |
| Regulatory Retail | 393 | 161,381 | 20,806 | 182,580 |
| Other Assets | - | - | - | - |
| Total for On-Balance Sheet Exposures | 1,280,889 | 906,311 | 21,616 | 2,208,816 |
| | | | | |
| *Off-Balance Sheet Exposures* | | | | |
| Off balance sheet exposures other than OTC derivatives or credit derivatives | 461,472 | 26,961 | 5,631 | 494,064 |
| Total for Off-Balance Sheet Exposures | 461,472 | 26,961 | 5,631 | 494,064 |
| | | | | |
| Total On and Off-Balance Sheet Exposures | 1,742,361 | 933,272 | 27,247 | 2,702,880 |

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**22. Capital adequacy (continued)**

**Disclosure of rated and unrated exposures according to rating by ECAIs**

**Economic Entity and Bank**
**30-Jun-17**

| Exposure Class | Rating of Corporate by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures**<br>**Credit exposure (using Corporate Risk Weights)** | | | | | | |
| Public Sector Entity (applicable for entities risk weighted based on their external rating as corporate) | - | - | - | - | - | - |
| Insurance Companies, Securities Firms & Fund Managers | - | - | - | - | - | - |
| Corporates | - | 370,585,464 | - | - | - | 280,013,045 |
| Total | - | 370,585,464 | - | - | - | 280,013,045 |

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**22. Capital adequacy (continued)**

**Disclosure of rated and unrated exposures according to rating by ECAIs (continued)**

**Economic Entity and Bank**
**30-Jun-17**

| Exposure Class | Rating of Sovereign Central Banks by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures** | | | | | | |
| Sovereign Central Banks | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

| Exposure Class | Rating of Banking Institutions by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures** | | | | | | |
| Banks, MDBs and FDI | - | - | - | - | - | 19,875,400 |
| Total | - | - | - | - | - | 19,875,400 |

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**22. Capital adequacy (continued)**

**Disclosure of rated and unrated exposures according to rating by ECAIs**

**Economic Entity and Bank**
**31-Dec-16**

| Exposure Class | Rating of Corporate by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures**<br>**Credit exposure (using Corporate Risk Weights)** | | | | | | |
| Public Sector Entity (applicable for entities risk weighted based on their external rating as corporate) | - | - | - | - | - | - |
| Insurance Companies, Securities Firms & Fund Managers | - | - | - | - | - | - |
| Corporates | - | 264,511,050 | - | - | - | 19,734,400 |
| Total | - | 264,511,050 | - | - | - | 19,734,400 |

Company No.

| 716122 | P |
|---|---|

**ASIAN FINANCE BANK BERHAD**
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**22. Capital adequacy (continued)**

**Disclosure of rated and unrated exposures according to rating by ECAIs (continued)**

**Economic Entity and Bank**
**31-Dec-16**

| Exposure Class | Rating of Sovereign Central Banks by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures** | | | | | | |
| Sovereign Central Banks | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

| Exposure Class | Rating of Banking Institutions by approved ECAIs | | | | | |
|---|---|---|---|---|---|---|
| | MOODY'S | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B+ to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | FITCH | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB to BB | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| **On and Off Balance Sheet Exposures** | | | | | | |
| Banks, MDBs and FDI | - | 19,734,400 | - | - | - | - |
| Total | - | 19,734,400 | - | - | - | - |

Company No.

| 716122 | P |
|---|---|

**ASIAN FINANCE BANK BERHAD**
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**Pillar 3, Basel II - Capital Adequacy Framework for Islamic Banks (CAFIB) Disclosures - Chief Executive Officer Attestation**

In accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Bank (CAFIB) Pillar 3 Disclosure Requirement, it is hereby attested that the disclosures as set forth in the accompanying notes to the financial statements related to significant business and operations risks of Asian Finance Bank Berhad for the financial year ended 30 June 2017 are consistent with the manner in which the Bank assesses and manages its risks, and are not misleading in any particular way.

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KHALID MAHMOOD BHAIMIA
CHIEF EXECUTIVE OFFICER