

AFFIN BANK SUCCESSFULLY ISSUES RM500MILLION ADDITIONAL TIER 1 CAPITAL SECURITIES (AT1CS) – FIRST AT1CS ISSUANCE OF THE YEAR IN MALAYSIA

KUALA LUMPUR: Affin Bank Berhad (“AFFIN BANK” or “the Bank”) is elated to announce the issuance of its latest Additional Tier 1 Capital Securities (AT1CS) this year. This judicious move aims to fortify the Bank's capital structure and augment its financial flexibility.

Details of the Issuance:

Issue Size: RM500 million
Distribution Rate: 5.70% per annum
Tenure: Perpetual non-callable 5 years
First callable date: 23 June 2028
RAM Rating: A3

“We are pleased with the overwhelming interest in our AT1CS issuance, which indicates the market's faith in AFFIN Group's enduring strategy and solid financial standing. Notably, this is the first AT1CS launch this year in Malaysia,” proclaimed Datuk Wan Razly Abdullah, President & Group Chief Executive Officer of Affin Bank Berhad. He further remarked, “The capital amassed will be deployed to catalyse our expansion and perpetually create value for our stakeholders.”

While institutional investors have displayed hesitation in investing in AT1CS due to global banking uncertainties, it is worth noting that our issuance has found favour with retail investors, with them dominating the order book, leading to an oversubscription rate of 1.3 times. This has allowed the Bank to save on its financing cost compared to its previous AT1CS issuance at 5.80% per annum. This reflects the trust and optimism investors have in AFFIN Group's growth blueprint and robustness, particularly under the A25 Plan, which revolves around three tenets: Unrivalled Customer Service, Digital Leadership, and Responsible Banking with Impact.

The capital generated through this launch will be employed to bolster banking activities, address working capital requirements, and cater to AFFIN Group's business necessities. Significantly, the AT1CS will be recognised as Basel III-compliant Additional Tier 1 Capital for AFFIN BANK, in line with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components). This issuance is poised to amplify AFFIN BANK's Total Capital Ratio, augmenting it by over 130 basis points.



The successful issuance is attributed to the collective efforts of Joint Lead Managers, notably Affin Hwang Investment Bank, Maybank Investment Bank, and CIMB Investment Bank.

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About AFFIN Group

Affin Bank Berhad operates as the financial holding entity of Affin Islamic Bank Berhad, Affin Hwang Investment Bank Berhad, Affin Moneybrokers Sdn Bhd. Generali Insurance Malaysia Berhad and Generali Life Insurance Malaysia Berhad are affiliated companies of Affin Bank Berhad.

AFFIN Group provides an exhaustive array of financial products and services catering to both individual and corporate clients. The focus market segments are categorised under essential business units such as Community Banking, Enterprise Banking, Corporate Banking, Treasury, and Investment Banking. For more information, please visit <https://www.affingroup.com>.

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