

media release
FOR IMMEDIATE RELEASE

10 OCTOBER 2023

AFFIN ISLAMIC SUCCESSFULLY COMPLETED THE PLACEMENT OF RM1 BILLION OF ADDITIONAL TIER 1 CAPITAL SUKUK WAKALAH (AT1 SUKUK WAKALAH) AND TIER 2 SUKUK MURABAHAH

KUALA LUMPUR: Affin Islamic Bank Berhad (“AFFIN ISLAMIC”) has successfully completed the placement of RM1 billion of **AT1 Sukuk Wakalah** and **Tier 2 Sukuk Murabahah** under its Islamic medium-term notes programme of up to RM5.0 billion, to selected investors.

Details of the Issuance:

Affin Islamic Bank Berhad (AFFIN ISLAMIC) - AT1 Sukuk Wakalah

Rating: A3

Tenure: Perpetual non-callable 5 years

Issue Size: RM500 million

Final Distribution Rate / Final YTM : 5.10% per annum

Issue date: 10th October 2023

Affin Islamic Bank Berhad (AFFIN ISLAMIC) - T2 Sukuk Murabahah

Rating: A1

Tenure: 10 non-callable 5 years

Issue Size: RM500 million

Final Profit Rate / Final YTM: 4.66% per annum

Target issue date: 13th October 2023

President & Group Chief Executive Officer of Affin Bank Berhad, Datuk Wan Razly Abdullah said, "We are pleased with the overwhelming response to our second Additional Tier 1 Capital and first Tier 2 issuance within the Group for the year. This demonstrates the Group's strong financial standing in the banking industry as the Group believes the issuance of the AT1 Sukuk Wakalah and Tier 2 Sukuk Murabahah will enhance the Group's financial position and resilience while also expanding the Bank's capital base. The funds raised will be deployed to accelerate our growth and thus enhancing our shareholders value.

The AT1 Sukuk Wakalah and Tier 2 Sukuk Murabahah were well-received by both institutional investors as well as high net worth individuals with more than 2.1 times and 3.7 times oversubscribed respectively. We received RM2.9 billion demand for our RM1 billion capital issuance (Tier 1 and Tier 2). This proves that despite the volatility witnessed in the current credit markets, achieving this landmark success is a testament to the Group's strong standing with investors," he concluded.

The AT1 Sukuk Wakalah was priced at 5.10% per annum and the Tier 2 Sukuk Murabahah was priced at 4.66% per annum and this has allowed the Bank to save on its financing cost compared to its previous AT1 Sukuk Wakalah and Tier 2 Sukuk Murabahah issuance at 5.65% per annum and 5.05% per annum respectively.

The AT1 Sukuk Wakalah and Tier 2 Sukuk Murabahah will be recognised as Basel III-compliant Additional Tier 1 Capital and Tier 2 Capital respectively of AFFIN ISLAMIC which is in line with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (Capital Components). This total issuance is poised to amplify AFFIN ISLAMIC Total Capital Ratio, augmenting it by over 480 basis points. AFFIN ISLAMIC has seen its financing grown by 10.5% YOY as of 30 June 2023.

The successful issuance is attributed to the effort of our Lead Manager, notably Affin Hwang Investment Bank Berhad.

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About AFFIN Group

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 array of financial products and services catering to individual, enterprise, commercial 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 www.affingroup.com.

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