

# SECOND SUPPLEMENTARY BASE PROSPECTUS



**Affin Hwang Investment Bank Berhad**  
(Company No. 197301000792 (14389-U))  
(Incorporated in Malaysia under the Companies Act 2016)

## **Second Supplementary Base Prospectus**

relating to the  
offering of Structured Warrants (as hereinafter defined)  
to be issued by  
Affin Hwang Investment Bank Berhad (“**Issuer / Affin Hwang IB**”)

This Second Supplementary Base Prospectus is published in connection with the offering of Structured Warrants (as defined in our Base Prospectus dated 13 October 2023 (“**Base Prospectus**”)) by the Issuer to be issued from time to time (within the validity period of the Base Prospectus which expires on 12 October 2024).

**INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS DATED 12 DECEMBER 2023 (“FIRST SUPPLEMENTARY BASE PROSPECTUS”) AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE RISK FACTORS COMMENCING ON PAGE 44 OF THE BASE PROSPECTUS.**

This Second Supplementary Base Prospectus is dated 26 April 2024 and will expire on 12 October 2024.

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**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD BE READ IN CONJUNCTION WITH THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS**

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#### **RESPONSIBILITY STATEMENTS**

OUR DIRECTORS HAVE SEEN AND APPROVED THIS SECOND SUPPLEMENTARY BASE PROSPECTUS. OUR DIRECTORS COLLECTIVELY AND INDIVIDUALLY ACCEPTS FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS SECOND SUPPLEMENTARY BASE PROSPECTUS AND CONFIRMS HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE IS NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT IN THIS SECOND SUPPLEMENTARY BASE PROSPECTUS FALSE OR MISLEADING.

WE ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF OUR KNOWLEDGE AND BELIEF, THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS CONSTITUTE A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE OFFERING OF THE STRUCTURED WARRANTS (“OFFER”).

#### **STATEMENTS OF RISK**

**YOU ARE WARNED THAT THE PRICE OR LEVEL (AS THE CASE MAY BE) OF THE UNDERLYING EQUITY(IES), UNDERLYING INDEX, UNDERLYING EXCHANGE-TRADED FUNDS AND STRUCTURED WARRANTS MAY FALL IN VALUE AS RAPIDLY AS IT MAY RISE AND YOU MAY SUSTAIN A TOTAL LOSS OF YOUR INVESTMENT. YOU SHOULD THEREFORE MAKE SURE YOU UNDERSTAND THE TERMS AND CONDITIONS OF THE STRUCTURED WARRANTS OFFERED, THE RISK FACTORS INVOLVED, AND WHERE NECESSARY, SEEK PROFESSIONAL ADVICE BEFORE INVESTING IN THE STRUCTURED WARRANTS.**

THE STRUCTURED WARRANTS CONSTITUTE GENERAL UNSECURED CONTRACTUAL OBLIGATIONS OF THE ISSUER AND OF NO OTHER PERSON. THEREFORE, IF YOU PURCHASE THE STRUCTURED WARRANTS, YOU ARE RELYING ON THE CREDITWORTHINESS OF THE ISSUER AND HAVE NO RECOURSE OR RIGHTS AGAINST THE UNDERLYING CORPORATION WHICH HAS ISSUED THE UNDERLYING SHARES, OR THE INDEX SPONSOR AND THE COMPANIES CONSTITUTING THE INDEX, OR THE UNDERLYING EXCHANGE-TRADED FUND AND THE EXCHANGE-TRADED FUND MANAGER.

#### **STATEMENTS OF DISCLAIMER**

THIS SECOND SUPPLEMENTARY BASE PROSPECTUS HAS BEEN REGISTERED BY THE SECURITIES COMMISSION MALAYSIA (“SC”). THE REGISTRATION OF THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE STRUCTURED WARRANTS OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE STRUCTURED WARRANTS BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS. **YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

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APPROVAL WILL BE OBTAINED FROM BURSA MALAYSIA SECURITIES BERHAD (“**BURSA SECURITIES**”) FOR THE LISTING OF AND QUOTATION OF THE STRUCTURED WARRANTS BEING OFFERED. ADMISSION OF THE STRUCTURED WARRANTS TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF OUR MERITS, THE MERITS OF THE OFFER, THE INVITATION, THE STRUCTURED WARRANTS, THE UNDERLYING EQUITIES, UNDERLYING EXCHANGE-TRADED FUNDS OR THE UNDERLYING INDEX.

A COPY OF THIS SECOND SUPPLEMENTARY BASE PROSPECTUS HAS BEEN LODGED WITH THE REGISTRAR OF COMPANIES, WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

#### **OTHER STATEMENTS**

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007 (“**CMSA**”) FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS THAT IS FALSE, MISLEADING OR FROM WHICH THERE IS A MATERIAL OMISSION OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE BASE PROSPECTUS, THE FIRST SUPPLEMENTARY BASE PROSPECTUS AND THIS SECOND SUPPLEMENTARY BASE PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO THE ISSUER.

THE INFORMATION DISCLOSED IN THIS SECOND SUPPLEMENTARY BASE PROSPECTUS IS IN ACCORDANCE WITH THE REQUIREMENTS UNDER THE CMSA FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA IS RESPONSIBLE.

**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES’ WEBSITE AT [WWW.BURSAMALAYSIA.COM](http://WWW.BURSAMALAYSIA.COM).**

#### **PRIVACY NOTICE**

PURSUANT TO SECTION 7 OF THE PERSONAL DATA PROTECTION ACT 2010, WE ARE REQUIRED TO ISSUE A PRIVACY NOTICE TO YOU WITH REGARD TO COLLECTION AND MANAGEMENT OF YOUR PERSONAL DATA. THE PRIVACY NOTICE (IN ENGLISH AND BAHASA MALAYSIA VERSIONS) IS ATTACHED AS “ANNEXURE II” FOR YOUR REFERENCE AND IS ALSO AVAILABLE AT OUR AFFIN HWANG INVESTMENT BANK BERHAD WEBSITE, <https://www.affinhwang.com/en/privacy-notice>.

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For the avoidance of doubt, the terms used in this Second Supplementary Base Prospectus shall have the same meanings given to them in the Base Prospectus issued by Affin Hwang IB unless otherwise specifically defined herein or the context otherwise requires or permit.

### 1. UPDATE OF INFORMATION CONTAINED IN THE BASE PROSPECTUS

#### (a) Update of Section 1 Corporate Directory, Directors

Pursuant to the expiration of Datuk Wan Razly Abdullah bin Wan Ali's term as Non-Independent Executive Director of Affin Hwang IB with effect from 2 April 2024, the table setting out the list of Affin Hwang IB's directors contained in Section 1 Corporate Directory, Directors on page 1 of our Base Prospectus is hereby replaced in its entirety with the following:

<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
Tunku Afwida binti Tunku A.Malek (Chairman / Independent Non-Executive Director)	No. 7, Jalan TR 9/6 Tropicana Golf & Country Resort 47410 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Mr Eugene Hon Kah Weng (Independent Non-Executive Director)	10, Jalan 16/12B Seksyen 16 46350 Petaling Jaya Selangor Darul Ehsan	Director	Malaysian
Encik Hasli bin Hashim (Independent Non-Executive Director)	100, Lorong Zaaba Taman Tun Dr Ismail 60000 Kuala Lumpur	Director	Malaysian
Dato' Abdul Wahab bin Abu Bakar (Independent Non-Executive Director)	No. 7, Jalan 2/1E Seksyen 2 43650 Bandar Baru Bangi Selangor Darul Ehsan	Director	Malaysian
Ms Kong Yuen Ling (Non-Independent Non-Executive Director)	Unit 8, Beringin Residence No. 1, Jalan Beringin Bukit Damansara 50490 Kuala Lumpur	Director	Malaysian
Ms Ong Guat Kee (Independent Non-Executive Director)	No. 9, Jalan 17/54 46400 Petaling Jaya Selangor	Director	Malaysian

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**(b) Update of Section 3.2.2 Affin Hwang IB Group's financial highlights**

Pursuant to the release of the audited financial statements for FYE 31 December 2023, the summary information of the financial highlights of Affin Hwang IB Group in Section 3.2.2 on page 5 to 6 of the Base Prospectus is hereby replaced in its entirety with the following:

	-- FYE 31 December --		
	2023	2022	2021
	RM '000	RM '000	Restated* RM '000
<b>CONSOLIDATED INCOME STATEMENTS</b>			
Net income	240,636	228,535	306,106
Other operating expenses	(173,416)	(167,206)	(166,322)
Writeback of/ (Allowances for) credit impairment losses	25,274	938	(36,819)
Impairment losses on non-financial assets	-	(7,068)	-
Share of results of associate, net of tax	-	-	-
Profit before zakat and taxation	92,494	55,199	102,965
Profit from continuing operation	69,465	34,116	80,485
Profit from discontinued operation	-	1,302,784	146,715
Profit for the financial year	69,465	1,336,900	227,200
Basic EPS (sen)	8.91	168.19	22.28
Weighted average number of ordinary shares in issue ('000)	780,000	780,000	780,000
	<b>As at 31 December 2023</b>	<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
<b>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</b>			
<b>Assets</b>			
Total assets	9,371,772	7,460,279	8,116,804
<b>Liabilities and Equity</b>			
Total liabilities	7,949,042	6,023,053	6,712,643

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	<b>As at 31 December 2023</b>	<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Shareholders' funds	1,422,730	1,437,226	1,404,161
Total liabilities and equity	<u>9,371,772</u>	<u>7,460,279</u>	<u>8,116,804</u>
Weighted average number of ordinary shares in issue ('000)	780,000	780,000	780,000
Net assets per ordinary share (RM)**	1.82	1.84	1.80

\*The Consolidated Income Statements and Statement of Cash Flows for FYE 31 December 2021 has been restated in accordance with the MFRS 5 requirements on the presentation of discontinued operations, following the completion of the divestment of Affin Hwang Asset Management Berhad on 29 July 2022.

\*\*The Net assets per ordinary share were not audited by PricewaterhouseCoopers PLT and the figures were computed by Affin Hwang IB.

#### **(c) Update of Section 4.4 Our Board**

Pursuant to the expiration of Datuk Wan Razly Abdullah bin Wan Ali's term as Non-Independent Executive Director of Affin Hwang IB with effect from 2 April 2024, the table setting out the list of Affin Hwang IB's directors in Section 4.4 Our Board on page 20 of our Base Prospectus is hereby replaced in its entirety with the following:

"As at 2 April 2024, our Directors comprise the following:"

<b>Name</b>	<b>Directorship</b>
Tunku Afwida binti Tunku A.Malek	Chairman / Independent Non-Executive Director
Mr Eugene Hon Kah Weng	Independent Non-Executive Director
Encik Hasli bin Hashim	Independent Non-Executive Director
Dato' Abdul Wahab bin Abu Bakar	Independent Non-Executive Director
Ms Kong Yuen Ling	Non-Independent Non-Executive Director
Ms Ong Guat Kee	Independent Non-Executive Director

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**(d) Update of Section 4.5 Our Management team**

Pursuant to the:

- (i) Merging of the Securities Retail and Securities Institutional divisions into one unified Securities division with effect from 15 March 2024;
- (ii) Appointment of Andy Ong Teng Chong as Managing Director, Securities of Affin Hwang IB with effect from 15 March 2024; and
- (iii) Appointment of Ng Meng Wah as Managing Director, Leverage Business & Proprietary Trading of Affin Hwang IB with effect from 15 March 2024

the table setting out the list of Affin Hwang IB's Management team contained in Section 4.5 Our Management team on page 20 of our Base Prospectus which was duly amended pursuant to Section 1(b) Update of Section 4.5 Our Management team on page 2 of our First Supplementary Base Prospectus are hereby replaced in its entirety with the following:

"Our Management team as at 15 March 2024 is set out below:"

<b>Name</b>	<b>Position</b>
Nurjesmi bin Mohd Nashir	Chief Executive Officer
Hishamuddin Hud Ibrahim	Chief Operating Officer
Ahmad Gazzara Czillich	Chief Financial Officer
Nor Azliza Abd Rahman	Chief People Officer
<i>Vacant</i>	Managing Director, Investment Banking
Ng Meng Wah	Managing Director, Leverage Business & Proprietary Trading
Adrian Shee Siew Kee	Chief Risk Officer
Sanny Shah Mohd Remi	Head of Treasury
Andy Ong Teng Chong	Managing Director, Securities

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**(e) Update of Section 4.8 Financial highlights**

Pursuant to the release of the audited financial statements for FYE 31 December 2023, the financial highlights of Affin Hwang IB Group in Section 4.8 on page 23 to 29 of the Base Prospectus is hereby replaced in its entirety with the following:

**Consolidated statements of income**

Our Group's audited consolidated statements of income for the past 3 financial years ended 31 December 2021 to 2023 are set out below:

	-- FYE 31 December--		
	2023	2022	2021 Restated
	RM '000	RM '000	RM '000
Interest income	308,215	228,698	189,556
Interest expense	(243,601)	(139,827)	(123,944)
<b>Net interest income</b>	<b>64,614</b>	<b>88,871</b>	<b>65,612</b>
Fee and commission income	82,860	84,747	127,632
Fee and commission expense	-	-	-
Net fee and commission income	82,860	84,747	127,632
Net gains and losses on financial instruments	78,590	48,810	101,620
Other operating income	14,572	6,107	11,242
<b>Net income</b>	<b>240,636</b>	<b>228,535</b>	<b>306,106</b>
Other operating expenses	(173,416)	(167,206)	(166,322)
<b>Operating profit before allowances</b>	<b>67,220</b>	<b>61,329</b>	<b>139,784</b>
Writeback of/(Allowances for) credit impairment losses	25,274	938	(36,819)
Impairment losses on non-financial assets	-	(7,068)	-
Share of results of associate, net of tax	-	-	-
<b>Profit before zakat and taxation</b>	<b>92,494</b>	<b>55,199</b>	<b>102,965</b>
Zakat	-	(150)	(2,087)
<b>Profit before taxation</b>	<b>92,494</b>	<b>55,049</b>	<b>100,878</b>
Taxation	(23,029)	(20,933)	(20,393)
<b>Profit from continuing operation</b>	<b>69,465</b>	<b>34,116</b>	<b>80,485</b>
Profit from discontinued operation	-	1,302,784	146,715
<b>Profit for the financial year</b>	<b>69,465</b>	<b>1,336,900</b>	<b>227,200</b>
<b>Attributable to:</b>			
Equity holders of Affin Hwang IB	69,465	1,311,936	173,811
Non-controlling interest	-	24,964	53,389
	69,465	1,336,900	227,200
<b>Earnings per share (sen):</b>			
<b>Basic/Fully diluted</b>			
Continuing operations	8.91	4.37	10.32
Discontinued operation	-	163.82	11.96
	8.91	168.19	22.28

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**Consolidated statements of financial position**

Our Group's audited consolidated statements of financial position for the past 3 financial years ended 31 December 2021 to 2023 are set out below:

	-- As at 31 December--		
	2023	2022	2021
	RM '000	RM '000	RM '000
<b>Assets</b>			
Cash and short-term funds	686,512	311,873	1,940,487
Financial assets at fair value through profit or loss ("FVTPL")	106,836	36,070	229,924
Financial investments at fair value through other comprehensive income ("FVOCI")	4,439,658	3,575,501	3,679,464
Financial investments at amortised cost	1,056,550	879,647	40,452
Loans and advances	1,953,780	1,570,005	1,078,409
Trade receivables	397,533	403,754	526,033
Derivative financial assets	141,380	107,680	77,269
Other assets	65,077	45,502	69,668
Statutory deposits with BNM	130,600	101,600	10,300
Amount due from related companies	-	-	1,065
Amount due from holding company	-	-	41
Amount due from ultimate holding company	-	-	31
Investment in associated company	-	-	-
Tax recoverable	33,634	37,156	26,963
Deferred tax assets	27,652	63,302	89,557
Property and equipment	9,937	6,694	17,277
Intangible assets	307,321	307,788	323,624
Right-of-use assets	15,302	13,707	6,240
<b>Total assets</b>	<b>9,371,772</b>	<b>7,460,279</b>	<b>8,116,804</b>
<b>Liabilities and equity</b>			
Deposits from customers	4,801,493	4,525,127	4,326,059
Deposits and placements of banks and other financial institutions	1,545,169	709,520	601,992
Obligations on securities sold under repurchase agreements	813,956	-	-
Trade payables	214,100	338,867	982,032
Derivative financial liabilities	82,340	102,874	71,897
Amount due to related companies	-	-	287
Amount due to holding company	9,324	5,835	200
Lease Liabilities	17,212	14,459	6,574
Other liabilities	465,447	326,370	723,601
Provision for taxation	1	1	1
<b>Total liabilities</b>	<b>7,949,042</b>	<b>6,023,053</b>	<b>6,712,643</b>

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	-- As at 31 December--		
	2023	2022	2021
	RM '000	RM '000	RM '000
Share capital	999,800	999,800	999,800
Reserves	422,930	437,426	359,676
	1,422,730	1,437,226	1,359,476
Non-controlling interest	-	-	44,685
<b>Total equity</b>	1,422,730	1,437,226	1,404,161
<b>Total liabilities and equity</b>	9,371,772	7,460,279	8,116,804
Commitments and contingencies	16,785,067	10,899,639	16,011,485

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**Consolidated statements of cash flow**

Our Group's audited consolidated statements of cash flow for the past 3 financial years ended 31 December 2021 to 2023 are set out below:

	2023	--FYE 31 December-- 2022	2021
	RM '000	Restated RM '000	Restated RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation from:			
Continuing operation	92,494	55,049	100,878
Discontinued operation	-	1,318,928	180,783
Profit before taxation including discontinued operation	92,494	1,373,977	281,661
Adjustments for items not involving the movement of cash and cash equivalents:			
Interest income:			
- financial investments at FVOCI	(124,544)	(109,627)	(105,280)
- financial investments at amortised cost	(44,318)	(19,640)	(2,355)
Interest expense on lease liabilities	602	431	561
Unwinding of discount on provision for restoration cost	45	28	17
Finance cost on call options	-	657	3,238
Dividend income:			
- financial assets at FVTPL	(38)	(1,021)	(5,417)
- financial investments at FVOCI	(190)	(190)	(330)
Share of results of associate, net of tax	-	-	-
Gain on disposal of property and equipment	(1)	(1,504)	(267)
Gain from disposal of a subsidiary	-	(1,252,380)	-
Disposal cost of a subsidiary	-	16,938	-
(Gain)/Loss arising from disposal / redemption of:			
- derivative instruments	(9,650)	3	(347)
- financial assets at FVTPL	(28,505)	(21,425)	(49,170)
- financial investments at FVOCI	(1,751)	(2,417)	(34,287)
Property and equipment written off	-	81	1
Intangible assets written off	-	19	-
Depreciation of property and equipment	2,519	5,075	9,934
Depreciation of right-of-use assets	7,207	8,347	9,769
Amortisation of intangible assets	826	1,865	2,737
Unrealised loss/(gain) on:			
- derivative instruments	1,947	2,432	(1,333)
- financial assets at FVTPL	(11,580)	6,366	2,507
Share Grant Scheme granted	1,010	-	-
Expected credit losses made/(written-back) on:			
- financial investments	(5,543)	637	11,717
- loans and advances	(17,398)	861	25,118
- trade receivables	(533)	(507)	(1,276)
- other assets	(1,449)	710	73
- deposits and placements with financial institutions	-	(4)	4
- loans and financing commitments and financial guarantees	69	(1,932)	1,368

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	--FYE 31 December--		
	2023	2022	2021
	RM '000	Restated RM '000	Restated RM '000
Allowances for impairment losses on goodwill	-	7,068	-
Zakat	-	494	2,758
Bad debt written off	5	-	-
Unrealised exchange (gain)/loss	(67,275)	(9,062)	4,951
<b>Operating (loss)/profit before changes in working capital</b>	<b>(206,051)</b>	<b>6,280</b>	<b>156,352</b>
<b>Decrease/(Increase) in operating assets</b>			
Loans and advances	(365,231)	(490,783)	(155,101)
Statutory deposits with BNM	(29,000)	(91,301)	8,700
Trade receivables	6,754	(230)	394,089
Other assets	(16,810)	19,760	(7,771)
Amount due from ultimate holding company	-	(98)	(9)
Amount due from holding company	-	41	(41)
Derivative financial assets	32,828	(31,363)	81,525
Financial assets at FVTPL	(30,680)	20,400	164,737
	(402,139)	(573,574)	486,129
<b>Increase/(Decrease) in operating liabilities</b>			
Deposits from customers	276,404	199,499	110,361
Deposits and placements of banks and other financial institutions	835,649	107,528	421,470
Obligations on securities sold under repurchase agreements	813,956	-	-
Trade payables	(124,767)	(319,078)	60,732
Amount due to related companies	-	(1,622)	(815)
Amount due to holding company	2,479	5,779	130
Derivative financial liabilities	(20,225)	30,977	(79,041)
Other liabilities	138,633	(119,028)	(152,562)
	1,922,129	(95,945)	360,275
Cash generated from/(used in) operating activities	1,313,939	(663,239)	1,002,756
Tax paid	(3,793)	(33,567)	(72,257)
Zakat paid	-	(5,247)	(2,494)
<b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>1,310,146</b>	<b>(702,053)</b>	<b>928,005</b>

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**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD BE READ IN CONJUNCTION WITH THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS**

	--FYE 31 December--		
	2023	2022	2021
	RM '000	Restated RM '000	Restated RM '000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property and equipment	1	2,561	294
Purchase of property and equipment	(5,762)	(2,316)	(4,207)
Purchase of intangible assets	(359)	(1,207)	(1,500)
Interest received:			
- financial investments at FVOCI	137,039	139,591	136,778
- financial investments at amortised cost	41,753	12,322	2,368
Purchase of:			
- financial investments at FVOCI	(1,175,929)	(411,930)	(2,293,726)
- financial investments at amortised cost	(332,859)	(867,740)	-
- financial assets at FVTPL	-	(33,637)	(141,936)
Redemption/Disposal of:			
- financial investments at FVOCI	389,007	436,714	2,513,034
- financial investments at amortised cost	167,696	35,000	-
- financial assets at FVTPL	-	104,684	264,527
Redemption of an equity interest in an associate		-	4,108
Dividend income received from:			
- financial investments at FVOCI	190	190	330
- financial investments at FVTPL	38	1,021	5,417
Net cash inflow from disposal of a subsidiary	-	981,917	-
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>	<b>(779,185)</b>	<b>397,170</b>	<b>485,487</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease payments	(6,322)	(6,532)	(10,157)
Dividends paid to holding company	(150,000)	(1,280,200)	(255,000)
Dividends paid to non-controlling interest	-	(36,999)	(66,026)
Issue of subsidiary's share capital	-	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(156,322)</b>	<b>(1,323,731)</b>	<b>(331,183)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>374,639</b>	<b>(1,628,614)</b>	<b>1,082,309</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>311,873</b>	<b>1,940,487</b>	<b>858,178</b>
<b>CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL YEAR</b>	<b>686,512</b>	<b>311,873</b>	<b>1,940,487</b>
Cash flows from discontinued operation	-	(339,766)	275,647

**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD BE READ IN CONJUNCTION WITH THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS**

Following the International Financial Reporting Interpretations Committee (“IFRIC”) agenda decision on Demand Deposits with Restrictions on Use arising from a Contract with a Third Party, the Group has adopted the principles set out in the IFRIC agenda decision and reassessed the classification of security deposits held for dealer’s representative as cash and cash equivalents.

This change in accounting treatment has been accounted for retrospectively and the comparative information of the Group’s Statement of Cash Flows for the financial year ended 31 December 2022 has been adjusted, as disclosed in the audited financial statements for the financial year ended 31 December 2023. For the purpose of this Second Supplementary Base Prospectus, the Group’s Statement of Cash Flows for the financial year ended 31 December 2021 is also restated accordingly as presented above.

The Consolidated Statements of Income and Statement of Cash Flows for financial year ended 31 December 2021 has been restated in accordance with the MFRS 5 requirements on the presentation of discontinued operations, following the completion of the divestment of Affin Hwang Asset Management Berhad on 29 July 2022.

The audited consolidated financial statements for the past three (3) financial years up to FYE 31 December 2023 were not subject to any audit qualifications. Affin Hwang IB Group’s financial statements for the past three (3) financial years up to FYE 31 December 2023 were audited by PricewaterhouseCoopers PLT.

Please refer to our website at [www.affinhwang.com](http://www.affinhwang.com) for detailed information on our audited consolidated financial statements, quarterly financial results or any subsequent updates thereto.

	-- As at 31 December--		
	2023	2022	2021
	RM ‘000	RM ‘000	RM ‘000
<b>FINANCIAL RATIOS (%)</b>			
Common Equity Tier 1 capital ratio	36.67	42.92	31.43
Tier 1 capital ratio	36.67	42.92	32.51
Total capital ratio	37.33	43.52	33.03
Gross impaired loans and advances to gross loans and advances*	3.56	4.79	7.27

\*The Gross impaired loans and advances to gross loans and advances were not audited by PricewaterhouseCoopers PLT and the figures were computed by Affin Hwang IB.

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**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD BE READ IN CONJUNCTION WITH THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS**

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**2. THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS REMAIN IN FULL FORCE AND EFFECT SUBJECT TO AMENDMENTS**

The Base Prospectus and the First Supplementary Base Prospectus remain in full force and effect save and except for the amendments to the Base Prospectus as set out in this Second Supplementary Base Prospectus.

**3. DOCUMENTS FOR INSPECTION**

In addition to the documents described in Section 9.4 of our Base Prospectus and Section 3 of the First Supplementary Base Prospectus, a copy of this Second Supplementary Base Prospectus may be inspected at our registered office during office hours for a period of 12 months from the date of our Base Prospectus.

**4. RESPONSIBILITY STATEMENTS**

- (i) We acknowledge that, based on all available information and to the best of our knowledge and belief, the Base Prospectus, the First Supplementary Base Prospectus and this Second Supplementary Base Prospectus constitute a full and true disclosure of all material facts concerning the Offer.
- (ii) Our Directors have seen and approved this Second Supplementary Base Prospectus. Our Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Second Supplementary Base Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in this Second Supplementary Base Prospectus false or misleading.

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**THIS SECOND SUPPLEMENTARY BASE PROSPECTUS SHOULD BE READ IN CONJUNCTION WITH THE BASE PROSPECTUS AND THE FIRST SUPPLEMENTARY BASE PROSPECTUS**

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