



**MALAYAN BANKING BERHAD**

(Company No. 3813-K)

(Incorporated in Malaysia under the Companies Ordinances, 1940-1946)

**DIVIDEND REINVESTMENT PLAN STATEMENT**

*(Abbreviations and definitions, unless where the context requires otherwise, shall be as set out in Section 2 of the Terms and Conditions governing this Dividend Reinvestment Plan Statement)*

This Dividend Reinvestment Plan Statement (“**Statement**”) contains the terms and conditions of the Dividend Reinvestment Plan of Malayan Banking Berhad (“**Maybank**” or “**Company**”) as may be amended from time to time (“**Terms and Conditions**”) under which persons registered in the Record of Depositors of the Company, or, as the case maybe, the Register of Members of the Company, as shareholders on the Book Closure Date (“**Shareholders**”) may, in relation to any Dividend, be given an option to reinvest the whole or part of such Dividend into new Maybank Shares as the Board of Directors of Maybank (“**Board**” or “**Directors**”) may, in its absolute discretion, make available (“**Dividend Reinvestment Plan**”).

**SUMMARY OF THE DIVIDEND REINVESTMENT PLAN**

The Dividend Reinvestment Plan will provide the Shareholders with the opportunity to reinvest their Dividend into new Maybank Shares.

Whenever a Dividend is announced, the Board may, in its absolute discretion, determine that the Dividend Reinvestment Plan applies to the whole or a portion of the Dividend and where applicable, any remaining portion of the Dividend will be paid in cash.

**Unless the Board has determined that the Dividend Reinvestment Plan will apply to a particular Dividend (whether in whole or in part), the Dividend concerned will be paid to the Shareholders wholly in cash in the usual manner. Shareholders should note that the Company is not obliged to make available the Dividend Reinvestment Plan for every Dividend declared.**

The Dividend Reinvestment Plan provides the Shareholders with the following options in respect of the Electable Portion:

- (i) to elect to receive the entire Electable Portion in cash; or
- (ii) to elect to reinvest the entire Electable Portion into new Maybank Shares at an issue price to be determined by the Board on a price-fixing date subsequent to the receipt of all relevant regulatory approvals for the Dividend Reinvestment Plan (“**Price-Fixing Date**”); or
- (iii) to elect to reinvest part of the Electable Portion into new Maybank Shares at an issue price to be determined on the Price-Fixing Date and to receive the remaining part of the Electable Portion in cash.

The Remaining Portion, where applicable, will be paid wholly in cash to the Shareholders.

For the purpose of calculating the number of new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan, the issue price of such new Maybank Shares shall not be more than ten percent (10%) discount to the five (5)-day volume weighted average market price (“**VWAMP**”) of Maybank Shares immediately prior to the Price-Fixing Date, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price. An announcement on the Book Closure Date will be made thereafter.

Under the present law in Malaysia, there is no brokerage or other material transaction costs payable by the Shareholders on new Maybank Shares allotted and issued under the Dividend Reinvestment Plan.

All Shareholders are eligible to participate in the Dividend Reinvestment Plan subject to the restriction on Overseas Shareholders in Section 4 of the Terms and Conditions of the Dividend Reinvestment Plan, and such other Shareholders or class of Shareholders as the Board may in their absolute discretion decide.

The new Maybank Shares to be allotted and issued pursuant to the Dividend Reinvestment Plan will rank *pari passu* in all respects with the existing Maybank Shares, except that the holders of new Maybank Shares shall not be entitled to any Dividend, rights, allotments and/or other distributions, the entitlement date of which is prior to the Allotment Date.

Shareholders participating in the Dividend Reinvestment Plan will receive notification letters setting out, amongst others, the number of new Maybank Shares allotted to them under the Dividend Reinvestment Plan.

## **HOW TO PARTICIPATE**

Participation in the Dividend Reinvestment Plan is optional and this option is neither renounceable nor transferable. A Shareholder wishing to reinvest in respect of any Electable Portion into new Maybank Shares to which a Notice of Election received by him relates should complete the Dividend Reinvestment Form and return it to any of the offices of the Registrar for the DRP at such address as may be announced by the Company from time to time.

A shareholder receiving more than one (1) Notice of Election may elect to participate in respect of their shareholding of Maybank Shares to which one (1) Notice of Election relates and elect not to participate in respect of their shareholding of Maybank Shares to which any other Notice of Election relates thereof.

A Shareholder receiving more than one (1) Notice of Election and wishing to reinvest in respect of all his entitlement to the Electable Portion into new Maybank Shares in respect of his shareholding of Maybank Shares to which the Notices of Election relate must complete all Dividend Reinvestment Forms received by him and submit the completed Dividend Reinvestment Forms to any of the offices of the Registrar for the DRP at such address as may be announced by the Company from time to time.

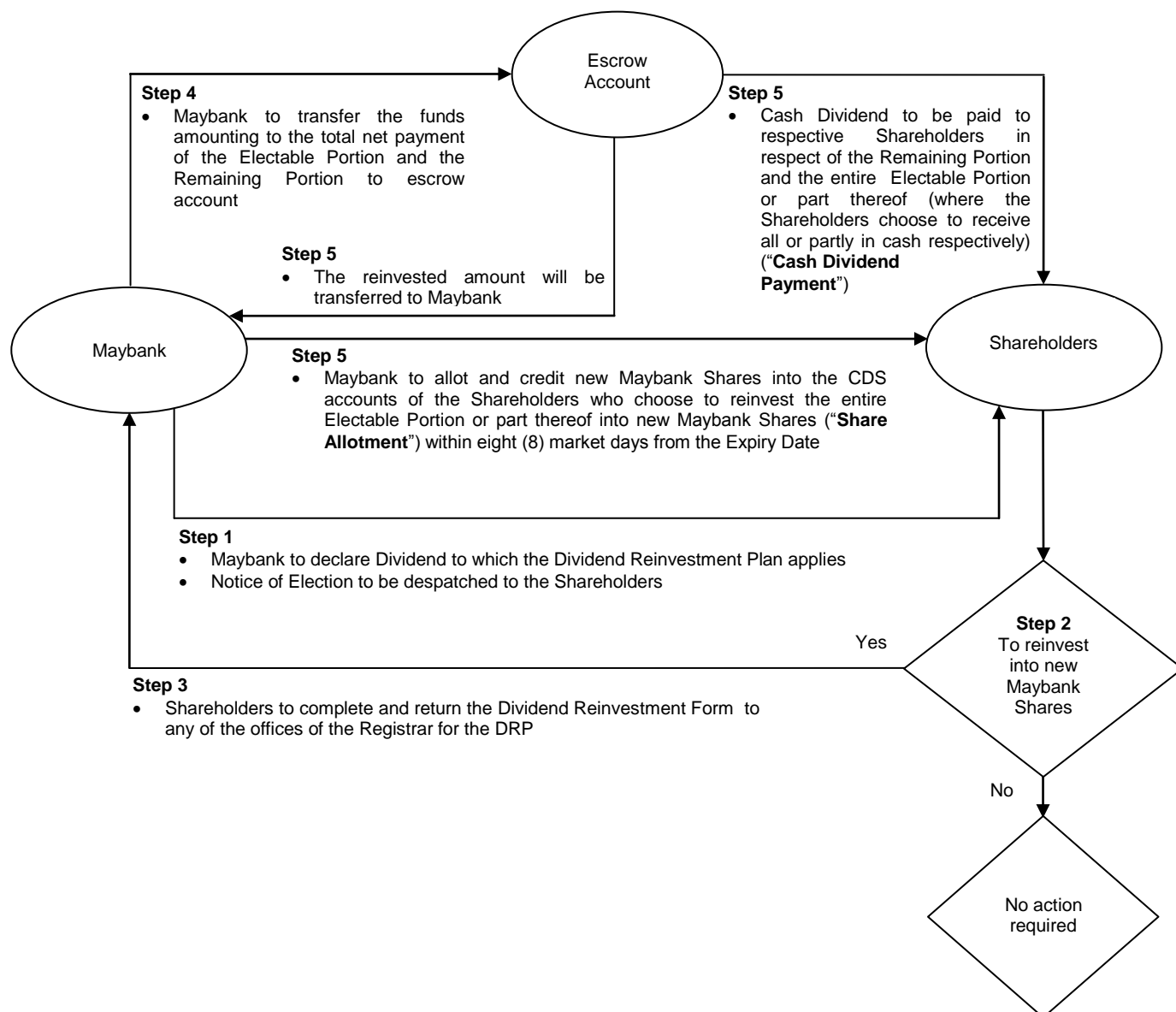
For an Electable Portion to which a Notice of Election relates to take effect, the duly completed and signed Dividend Reinvestment Form must be received by the Registrar for the DRP no later than the date to be specified by the Board and stated in the accompanying Notice of Election in respect of that Electable Portion.

Notices of Election will not be sent to the Shareholders who do not provide an address in Malaysia to avoid any violation on the part of Maybank of any securities laws applicable outside Malaysia.

**Shareholders who currently do not have a registered address in Malaysia and who wish to participate in the Dividend Reinvestment Plan are strongly advised to provide the Registrar for the DRP, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia with an address in Malaysia no later than three (3) Market Days prior to the Book Closure Date for the Dividend to which the Dividend Reinvestment Plan applies.**

## THE PROCESS FLOW CHART

The process flow chart in relation to any Dividend to which the Dividend Reinvestment Plan applies and the Dividend Reinvestment Plan is shown below:



### Note:

*In respect of Step 5, the Shareholders should note that the Cash Dividend Payment and the Share Allotment will occur on the same day, which will be on a date falling within one (1) month from the Book Closure Date and in any event, within three (3) months from the date of declaration of the Dividend or the date on which approval is obtained in a general meeting of Maybank, whichever is applicable.*

## TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN

### 1. Establishment

The Dividend Reinvestment Plan has been established by the Directors.

### 2. Definitions

The following definitions shall apply in these Terms and Conditions:

Allotment Date	: Date of allotment of the new Maybank Shares which falls within eight (8) market days from the Expiry Date
Balance of the Electable Portion	: Balance of the Electable Portion not reinvested into new Maybank Shares and/or the fractional entitlement of new Maybank Share in relation to the Electable Portion under the Dividend Reinvestment Plan, whichever is applicable, of which will be paid to the Shareholder in cash in the usual manner
Book Closure Date	: Book closure date in relation to a Dividend to which the Dividend Reinvestment Plan applies
Bursa Securities	: Bursa Malaysia Securities Berhad
CDS	: Central Depository System
Dividend	: Any cash dividend (including any interim, final, special and/or other dividend) declared/proposed by Maybank for the respective financial year
Dividend Reinvestment Form	: Dividend Reinvestment Form issued in connection with the Dividend Reinvestment Plan and contained in the Notice of Election
Electable Portion	: The whole or a portion of the Dividend to which the Board in its absolute discretion, determines that the Dividend Reinvestment Plan applies
Expiry Date	: Last date and time (which will be fixed and announced by the Directors) for the Shareholders to make an election in relation to the Electable Portion as specified in the Notice of Election
Market Day	: A day on which Bursa Securities is open for the trading of securities
Maximum Share Entitlement	: Maximum number of new Maybank Shares made available to Shareholder in respect of the Electable Portion under the Dividend Reinvestment Plan, which is computed based on the Shareholder's entitlement for the Electable Portion as at the Book Closure Date
Maybank Shares	: Ordinary shares of RM1.00 each in Maybank
Notice of Election	: Notice of election (in such form as the Directors may approve) by which Shareholders elect to participate in the Dividend Reinvestment Plan through the Dividend Reinvestment Form contained in the Notice of Election
Overseas Shareholders	: Shareholders who have not provided an address in Malaysia
Participating Shareholders	: Shareholders who elect to participate in the Dividend Reinvestment Plan to the extent of the Electable Portion in respect of their shareholding of Maybank Shares as at the Book Closure Date

Registrar for the DRP	: Tricor Investor Services Sdn Bhd
Remaining Portion	: Remaining portion of the Dividend after the deduction of Electable Portion, where applicable
RM and sen	: Ringgit Malaysia and sen, respectively
Take-over Code	: Malaysian Code on Take-overs and Mergers, 2010 as amended, supplemented and/or modified from time to time

### 3. Eligibility

All Shareholders are eligible to participate in the Dividend Reinvestment Plan, subject to the restrictions on the Shareholders with registered addresses outside Malaysia as at the Book Closure Date for the Dividend to which the Dividend Reinvestment Plan applies, and further subject to the requirement that such participation by the Shareholder will not result in a breach of any other restriction on such Shareholder's shareholding of Maybank Shares which may be imposed by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be, or as prescribed in the Memorandum and Articles of Association of the Company.

### 4. Overseas Shareholders

For practical reasons and to avoid any violation on the part of the Company of any securities laws applicable outside Malaysia where the Shareholders may have their registered addresses, the Dividend Reinvestment Plan will not be offered for subscription in any country other than Malaysia. Accordingly, the documents relating to the Dividend Reinvestment Plan, including the Notice of Election will not be sent to the Overseas Shareholders. No Overseas Shareholder shall have any claim whatsoever against the Company as a result of the Dividend Reinvestment Plan not being offered to such Overseas Shareholder. Overseas Shareholders who receive or come to have in their possession this Statement, a Notice of Election and/or a Dividend Reinvestment Form may not treat the same as being applicable to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Dividend Reinvestment Plan as may be applicable to them.

Overseas Shareholders who wish to change their addresses for service of documents in Malaysia should inform their respective stockbrokers or the Registrar for the DRP to effect the change of address. Such notification should be done no later than three (3) Market Days prior to the Book Closure Date for the Dividend to which the Dividend Reinvestment Plan applies.

Alternatively, such Overseas Shareholders may collect the Notice of Election and other documents relating to the Dividend Reinvestment Plan from the Registrar for the DRP, in which event, the Registrar for the DRP is entitled to satisfy themselves as to the identity and authority of the person collecting the documents relating to the Dividend Reinvestment Plan.

The Overseas Shareholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subject to, and any participation by the Overseas Shareholders in the Dividend Reinvestment Plan will be on the basis that he may lawfully so participate without the Company, the Directors, its advisers and/or employees being in breach of the laws of any jurisdiction.

### 5. Level of participation

A Shareholder may elect to participate in the Dividend Reinvestment Plan to the extent of the Electable Portion in respect of his shareholding of Maybank Shares as at each Book Closure Date to which each Notice of Election received by him relates ("**Participating Shares**").

## 6. Notice of Election to participate

The Company will, in its absolute discretion, send to each Shareholder one (1) or more Notices of Election in relation to each CDS account held by the Shareholder. To be effective in respect of any Electable Portion, a Dividend Reinvestment Form must be duly completed and executed by the Participating Shareholder as to the confirmation of his election to reinvest into new Maybank Shares and must be received by the Registrar for the DRP, no later than the Expiry Date. A Shareholder receiving more than one (1) Notice of Election may elect to reinvest into new Maybank Shares in respect of his entitlement to which one (1) Notice of Election relates and decline to reinvest into new Maybank Shares in respect of his entitlement to which any other Notice of Election relates.

A Shareholder receiving more than one (1) Notices of Election and wishing to reinvest into new Maybank Shares in respect of all his entitlement to the Electable Portion in respect of his shareholding of Maybank Shares to which the Notices of Election relate must complete all the Dividend Reinvestment Forms received by him and return the completed Dividend Reinvestment Forms to any of the offices of the Registrar for the DRP, no later than the Expiry Date. A Dividend Reinvestment Form to participate in the Dividend Reinvestment Plan in any other form will not be accepted by the Company.

A Dividend Reinvestment Form in respect of any Electable Portion shall not, upon its receipt by the Company be withdrawn or cancelled.

The Company has the discretion and right to accept or reject any Dividend Reinvestment Form that is incomplete, contains errors or is otherwise defective. The Company is under no obligation to correct invalid Dividend Reinvestment Form on behalf of any Participating Shareholder or to provide any reason for rejecting any Dividend Reinvestment Form.

By electing to participate in the Dividend Reinvestment Plan, the Participating Shareholder unconditionally:

- (a) warrants to the Company that it has the legal right and full power and authority to participate in the Dividend Reinvestment Plan and that its participation in the Dividend Reinvestment Plan will not result in a breach of any statute, law or regulation by which it is bound;
- (b) acknowledges that the Company may at any time determine that the Participating Shareholder's Dividend Reinvestment Form or other form ("**Form**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Company may accept or reject any Form and agrees that the Company need not provide any reason therefor;
- (d) acknowledges that the Company has not provided and is not obliged to provide the Participating Shareholder with investment advice or any other advice;
- (e) agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Dividend Reinvestment Plan;
- (f) submits to the jurisdiction of the Malaysian Courts, in each case, at all times until termination of the Dividend Reinvestment Plan; and
- (g) agrees that notwithstanding any other provisions, the Terms and Conditions set out herein or otherwise, if at any time after the Directors have determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of the new Maybank Shares in respect of the Electable Portion, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Directors may, in their absolute discretion and as they deem fit in the interest of the Company and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan in relation to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, Participating Shareholders shall receive the Electable Portion in cash in the usual manner.

## 7. Extent of application of Dividend Reinvestment Plan to each Electable Portion

The Directors may, in their absolute discretion, determine in respect of any Dividend, whether the Dividend Reinvestment Plan shall apply to the whole or a portion of the Dividend. If, in their absolute discretion, the Directors have not determined that the Dividend Reinvestment Plan is to apply to a particular Dividend, such Dividend shall be paid to the Shareholders in cash in the usual manner.

## 8. Maximum Share Entitlement and the Balance of the Electable Portion

By electing to participate in the Dividend Reinvestment Plan in respect of any Notice of Election received by him, a Shareholder elects in respect of any Electable Portion to which such Notice of Election relates, to reinvest the entire or, if applicable, part of the Electable Portion into new Maybank Shares.

### (a) Maximum Share Entitlement

In respect of any Electable Portion, the Maximum Share Entitlement to be allotted and issued to the Participating Shareholder in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

N = is the Maximum Share Entitlement to be allotted and issued as fully paid-up to the Participating Shareholder in respect of such Notice of Election

S = is the number of Participating Shares held by the Participating Shareholder as at the Book Closure Date to which such Notice of Election relates

D = is the Electable Portion to which such Notice of Election relates

V = is the issue price of a new Maybank Share, which shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the Price-Fixing Date, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price

Any fractional entitlement of new Maybank Share computed in accordance to the above formula will be paid to the Participating Shareholders in cash in the usual manner.

On 27 February 2014, the Board proposed a single-tier final cash dividend in respect of the financial year ended 31 December 2013 of RM0.31 per Maybank Share held ("**Final Cash Dividend**"). The Dividend Reinvestment Plan shall apply to this Final Cash Dividend, in which the Electable Portion of RM0.27 per Maybank Share held can be elected to be reinvested into new Maybank Shares and the Remaining Portion of RM0.04 per Maybank Share held will be paid in cash ("**8<sup>th</sup> DRP**").

The issue price of a new Maybank Share arising from the Dividend Reinvestment Plan is fixed at RM8.95 and announced on 16 April 2014.

### **Example**

Assuming a Participating Shareholder holds 50,000 Maybank Shares as at the Book Closure Date, his Maximum Share Entitlement will be calculated as follows in accordance with the aforementioned formula:

$$N = \frac{S \times D}{V}$$
$$N = \frac{50,000 \times \text{RM}0.27}{\text{RM}8.95}$$
$$N = 1,508$$

In conclusion, his Final Cash Dividend, Electable Portion and Remaining Portion are as follows:

	(RM)
Final Cash Dividend of RM0.31 per Maybank Share held <sup>(1)</sup> <i>Calculation = 50,000 x RM0.31</i>	15,500.00
Less: Electable Portion of RM0.27 per Maybank Share held as proposed by the Board <sup>(2)</sup> <i>Calculation = 50,000 x RM0.27</i>	13,500.00
Remaining Portion of RM0.04 per Maybank Share held as proposed by the Board <sup>(3)</sup>	2,000.00

#### **Notes:**

- <sup>(1)</sup> If a Participating Shareholder decides to receive his entire Final Cash Dividend entitlement in cash only, the payment of the total Final Cash Dividend is as per indicated.
- <sup>(2)</sup> Kindly take note that a Participating Shareholder has the option to elect to reinvest the entire Electable Portion or a part thereof into new Maybank Shares and if applicable, to receive the balance of the Electable Portion not reinvested into new Maybank Shares in cash; or elect not to participate and thereby receive the entire Electable Portion in cash.
- <sup>(3)</sup> The Remaining Portion is the remaining portion of the Final Cash Dividend after the deduction of the Electable Portion, where applicable.

### **(b) The Balance of the Electable Portion**

In respect of any Electable Portion, the Balance of the Electable Portion in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$B = (S \times D) - (A \times V)$$

Where:

- B = is the Balance of the Electable Portion in respect of such Notice of Election relates
- S = is the number of Participating Shares held by the Participating Shareholder as at the Book Closure Date to which such Notice of Election relates
- D = is the Electable Portion to which such Notice of Election relates
- A = is the number of new Maybank Shares that the Participating Shareholder elects to subscribe in respect of the Electable Portion to which such Notice of Election relates



V = is the issue price of a new Maybank Share, which shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the Price-Fixing Date, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price

The Balance of the Electable Portion will be paid to the Participating Shareholders in cash in the usual manner.

### **Examples**

#### **Scenario 1 - If a Participating Shareholder decides to reinvest the entire Electable Portion into new Maybank Shares**

Assuming a Participating Shareholder holds 50,000 Maybank Shares as at the Book Closure Date and he wishes to subscribe for his Maximum Share Entitlement of 1,508 new Maybank Shares calculated based on his entitlement for the Electable Portion as at the Book Closure Date using the formula as per Section 8(a) above, his Balance of the Electable Portion will be calculated as follows:

$$B = (S \times D) - (A \times V)$$

$$B = (50,000 \times \text{RM}0.27) - (1,508 \times \text{RM}8.95)$$

$$B = (\text{RM}13,500.00) - (\text{RM}13,496.60)$$

$$B = \text{RM}3.40$$

Based on the calculation above, the table below shows the computation of the total cash amount payable to the Participating Shareholder based on his election:

	<b>(RM)</b>
Electable Portion of RM0.27 per Maybank Share held as proposed by the Board	13,500.00
Less: Amount payable for reinvestment at RM8.95 per Maybank Share (1,508 x RM8.95)	13,496.60
Balance of the Electable Portion	3.40
Add: Remaining Portion	2,000.00
<b>Total amount payable in cash</b>	<b>2,003.40</b>

#### **Scenario 2 - If a Participating Shareholder decides to reinvest part of the Electable Portion into new Maybank Shares**

Assuming a Participating Shareholder holds 50,000 Maybank Shares as at the Book Closure Date and his Maximum Share Entitlement is 1,508 new Maybank Shares calculated based on his entitlement for the Electable Portion as at the Book Closure Date using the formula as per Section 8(a) above. However, he only wishes to subscribe for 1,000 new Maybank Shares; hence, his Balance of the Electable Portion will be calculated as follows:

$$B = (S \times D) - (A \times V)$$

$$B = (50,000 \times \text{RM}0.27) - (1,000 \times \text{RM}8.95)$$

$$B = (\text{RM}13,500.00) - (\text{RM}8,950.00)$$

$$B = \text{RM}4,550.00$$

Based on the aforementioned calculation, the table below shows the computation of the total cash amount payable to the Participating Shareholder based on his election:

	(RM)
Electable Portion of RM0.27 per Maybank Share held as proposed by the Board	13,500.00
Less: Amount payable for reinvestment at RM8.95 per Maybank Share (1,000 x RM8.95)	8,950.00
Balance of the Electable Portion	4,550.00
Add: Remaining Portion	2,000.00
<b>Total amount payable in cash</b>	<b>6,550.00</b>

Pursuant to the 8<sup>th</sup> DRP, in the event that all shareholders of Maybank elect to reinvest their entire Electable Portion into new Maybank Shares, the total number of new Maybank Shares that would have been issued will be approximately 267,592,517 which represent approximately 3.02% of the total issued and paid-up share capital (excluding treasury shares) of Maybank as at the Book Closure Date.

#### 9. Terms of allotment

Unless the Directors otherwise determine, all new Maybank Shares allotted under the Dividend Reinvestment Plan will be allotted as fully paid-up. All such new Maybank Shares shall upon allotment and issuance, rank *pari passu* in all respects with the existing Maybank Shares, except that the holders of new Maybank Shares shall not be entitled to any Dividend, rights, allotments and/or other distributions, the entitlement date of which is prior to the Allotment Date.

As the new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new Maybank Shares will be credited directly into the respective CDS accounts of Participating Shareholders. No physical share certificates will be issued.

#### 10. Odd Lots

Participating Shareholder who participates in the Dividend Reinvestment Plan and receives new Maybank Shares may be allotted such new Maybank Shares in odd lots depending on his entitlement of new Maybank Shares. Participating Shareholders who receive odd lots of new Maybank Shares and who wish to trade such odd lots on Bursa Securities should do so on the odd lot market, which allows trading of odd lots with a minimum of one (1) Maybank Share.

#### 11. Notification letters to Participating Shareholders

After the Book Closure Date, Maybank shall transfer funds amounting to the total net payment of the Electable Portion and the Remaining Portion from its account to an escrow account held in trust for the Shareholders. Maybank will within eight (8) market days from the Expiry Date or such other period as may be prescribed by Bursa Securities, allot and issue the new Maybank Shares and despatch the notices of allotment to successful Participating Shareholders by ordinary post at Participating Shareholders' own risk to the addresses shown in the records of Bursa Malaysia Depository Sdn Bhd. An announcement will also be made on the listing of and quotation for the new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan on the Official List of Bursa Securities. Concurrently on the Allotment Date, the Remaining Portion and the Electable Portion (where the Shareholders choose to receive the entire Electable Portion or a part thereof in cash) will be paid to the respective Shareholders in the usual manner and the tax voucher for such Dividend will be despatched to the Shareholders who are entitled to such Dividend.

## **12. Cost to the Participating Shareholders**

Under the present law in Malaysia, brokerage or other material transaction costs will not be payable by Participating Shareholders on new Maybank Shares allotted and issued under the Dividend Reinvestment Plan.

## **13. Cancellation of application of the Dividend Reinvestment Plan**

Notwithstanding any provisions of the Dividend Reinvestment Plan, if at any time after the Directors have determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of the new Maybank Shares in respect of the Electable Portion, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Directors may, in their absolute discretion and as they deem fit and in the interest of the Company and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan in relation to the Electable Portion subject to any requirement or provision imposed by any statute, law or regulation in force in Malaysia, as the case may be. In such event, the Electable Portion shall be paid to the Shareholders in cash in the usual manner.

## **14. Modification, suspension and termination of the Dividend Reinvestment Plan**

The Dividend Reinvestment Plan may be modified, suspended (in whole or in part) or terminated at any time by the Directors as they deem fit and such development shall be communicated through announcement to Bursa Securities or in such other manner as the Board deems fit, notwithstanding any terms and conditions of the Dividend Reinvestment Plan stating the contrary and irrespective of the election option selected.

In the case of a suspension, the Dividend Reinvestment Plan will be suspended (in whole or in part, as the case may be) until such time as the Directors resolve to recommence or terminate the Dividend Reinvestment Plan. If the Dividend Reinvestment Plan is recommenced, Participating Shareholders' Notice of Election confirming their participation under the previously suspended Dividend Reinvestment Plan will be valid and have full force and effect in accordance with these Terms and Conditions and any directions, terms and conditions to the Shareholders for such commencement of the Dividend Reinvestment Plan will be notified to all Shareholders.

## **15. General administration of the Dividend Reinvestment Plan**

Any Maybank Shares which a Participating Shareholder has nominated as participating in the Dividend Reinvestment Plan which are subject to a lien in favour of the Company, they shall, unless:

- (a) otherwise provided in the terms and conditions of issue thereof; or
- (b) the Directors otherwise determine,

be treated as if the relevant Participating Shareholder had, in relation to such Maybank Shares, not elected to so participate.

The Directors may implement the Dividend Reinvestment Plan in the manner they deem fit. The Directors have the power to:

- (a) determine procedures, rules and regulations for administration of the Dividend Reinvestment Plan consistent with these Terms and Conditions;
- (b) settle in such manner as they think fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Dividend Reinvestment Plan) which may arise in connection with the Dividend Reinvestment Plan, whether generally or in relation to any Participating Shareholder or any Maybank Share and the determination of the Directors will be conclusive and binding on all Shareholders and other persons to whom the determination relates;

- (c) delegate to any one or more persons, for such period and on such conditions as the Directors may determine, the exercise of any of their powers or discretion under or in respect of the Dividend Reinvestment Plan and references to a decision, opinion or determination of the Directors include a reference to the decision, opinion or determination of the person or persons to whom the Directors have delegated their authority to, for the purposes of administering the Dividend Reinvestment Plan; and
- (d) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

## 16. Take-over implications

The attention of the Shareholders is drawn to Section 9(1) of Part III of the Take-over Code and Section 217 of the Capital Markets and Services Act, 2007. In particular, a Shareholder should note that he may be under an obligation to extend a take-over offer for the remaining Maybank Shares not already owned by him and persons acting in concert with him (if any) ("**Affected Parties**"), if by participating in the Dividend Reinvestment Plan in relation to any Electable Portion:

- (a) the Affected Parties have obtained control via the acquisition or shareholding of, or entitlement to exercise or control the exercise of thirty-three per cent (33%) or more of the voting shares or voting rights in the Company, or such other amount as may be prescribed in the Take-over Code; or
- (b) the Affected Parties acquire more than two per cent (2%) of the voting shares or voting rights of the Company in any period of six (6) months, and the Affected Parties hold more than thirty-three per cent (33%) but less than fifty per cent (50%) of the voting shares or voting rights of the Company during the six (6) month period, or such other shareholding percentage as may be prescribed by the Take-over Code.

In the event an obligation to undertake a mandatory offer is expected to arise resulting from a Shareholder's participation in the Dividend Reinvestment Plan, the Affected Parties may make an application to the Securities Commission Malaysia ("**SC**") to obtain an approval for a waiver from the obligation to undertake a mandatory offer pursuant to the Take-over Code prior to participating in the Dividend Reinvestment Plan.

**The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code or other relevant legislation or regulations.**

Therefore, in the event an obligation to undertake a mandatory offer is expected to arise resulting from a Shareholder's participation in the Dividend Reinvestment Plan, the Shareholder and Affected Parties (if any) may wish to consult his or their professional adviser(s) at the earliest opportunity in relation to:

- (a) any obligation to undertake a mandatory offer pursuant to the Take-over Code as a result of any acquisition of new Maybank Shares through participation in the Dividend Reinvestment Plan; and
- (b) the making of an application to the SC to obtain an approval for a waiver from the obligation to undertake a mandatory offer pursuant to the Take-over Code prior to participating in the Dividend Reinvestment Plan.

## 17. Shareholding limits

As Maybank and its related and associated companies form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management, insurance and credit transaction services businesses ("**Maybank Group**"), Maybank Group is regulated under the Financial Services Act, 2013 and the Islamic Financial Services Act, 2013 (as the case may be) and as such is subject to the shareholding limitations as prescribed under the aforementioned acts.

In the event that such prescribed shareholding limits are expected to be breached by any Shareholder (whether alone or together with any party acting in concert or associate) as a result of his participation in the Dividend Reinvestment Plan, the relevant Shareholder shall make and ensure that all other Affected Parties (if any) shall make the necessary application to the relevant authority prior to participating in the Dividend Reinvestment Plan.

All Shareholders are responsible for ensuring that their participation in the Dividend Reinvestment Plan will not result in a breach of any restrictions on their respective shareholding of Maybank Shares which may be imposed by any of the Shareholders' contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities (unless the requisite approvals under the relevant statute, law or regulation or from the relevant authorities are first obtained or the relevant contractual obligation is otherwise waived in accordance with the terms and conditions of the relevant contracts) or as prescribed in the Memorandum and Articles of Association of the Company, as the case may be.

In view of the aforementioned shareholding limits, notwithstanding any other provisions, should the Board be aware of or be informed in writing of any expected breach of such shareholding limits as a result of the participation in the Dividend Reinvestment Plan by such Shareholder, the Board shall be entitled, but not obligated (save and except where required by such law), to reduce or limit the number of new Maybank Shares to be issued to such Shareholder and/or to pay to such Shareholder, the Electable Portion or any part thereof in cash.

#### **18. Disclaimer**

Notwithstanding any other provisions, the Board and the Company including any of its subsidiaries, related and associated companies and its respective directors, officers, employees, agents, affiliates and representatives, shall not, under any circumstance, be held liable for any damage, cost, loss and expense whatsoever and howsoever arising or incurred or suffered by any person including any Shareholder arising out of or in connection with the Dividend Reinvestment Plan including:

- (a) any obligation of any Shareholder to undertake a mandatory offer as a result of the Dividend Reinvestment Plan;
- (b) a breach of any restrictions on any Shareholder's shareholding of Maybank Shares which may be imposed by the Shareholders' contractual obligations, or by statute, law or regulation in force in Malaysia or any other relevant jurisdiction, or by any relevant authorities; and
- (c) any losses suffered by any Shareholder due to changes in share prices of Maybank Shares or the quantum of future Dividend after the implementation of the Dividend Reinvestment Plan.

#### **19. Governing law**

This Statement, the Dividend Reinvestment Plan and the Terms and Conditions thereof shall be governed by, and construed in accordance with the laws of Malaysia.

#### **20. Notices and statements**

Unless otherwise provided in these Terms and Conditions, any notices, documents and statements required to be given by the Company to a Participating Shareholder shall be given in accordance with the applicable provisions of the Memorandum and Articles of Association of the Company.