

## **CIMB GROUP HOLDINGS BERHAD (“CIMBGH” or “ISSUER”)**

### **ISSUE OF, OFFER TO SUBSCRIBE FOR OR PURCHASE OF UP TO:**

**(I) RM6.0 BILLION NOMINAL VALUE OF MEDIUM TERM NOTES (“MTNs”) UNDER A CONVENTIONAL MEDIUM TERM NOTES PROGRAMME (“MTN PROGRAMME), AND**

**(II) RM6.0 BILLION NOMINAL VALUE OF ISLAMIC MEDIUM TERM NOTES UNDER AN ISLAMIC MEDIUM TERM NOTES PROGRAMME (“ISLAMIC MTN PROGRAMME”),**

**WITH A COMBINED MASTER LIMIT OF UP TO RM6.0 BILLION IN NOMINAL VALUE (COLLECTIVELY, THE “PROGRAMMES”)**

**- ISSUE OF RM600.0 MILLION IN NOMINAL VALUE OF MTNs ON 3 APRIL 2020 (“ISSUANCE”)**

---

### **Each Issuance**

Each issue of MTNs under the MTN Programme carry different risks and all potential investors are strongly encouraged to evaluate each issue of the MTNs on its own merit.

### **Conflict of Interest Situations and Appropriate Mitigating Measures**

#### **CIMB Investment Bank Berhad (“CIMB IB”)**

CIMB IB, the Principal Adviser, Lead Arranger and Lead Manager, is a subsidiary of CIMBGH by virtue of CIMBGH’s 100% shareholding in CIMB Group Sdn Bhd which holds 100% shareholding in CIMB IB.

Notwithstanding the aforementioned, CIMB IB, in relation to its role as, amongst others, Principal Adviser to CIMBGH in respect of the Issuance, has considered the factors involved and believes that objectivity and independence in carrying out its role has been/will be maintained at all times for the following reasons:

- CIMB IB is a licensed investment bank and its appointment as, amongst others, the Principal Adviser to CIMBGH for the Issuance is in the ordinary course of its business.
- CIMB IB is one of the major arrangers and managers in the Malaysian corporate bond/Sukuk market and is committed to upholding its integrity and responsibilities in relation to the Programmes. This commitment is manifested in the Principal Adviser’s declaration included in the submission to the Securities Commission Malaysia in relation to the Programmes.
- A due diligence review pursuant to the Programmes was undertaken together with other independent professional advisers.
- The conduct of CIMB IB is regulated strictly by the Financial Services Act 2013 and by its own internal controls and checks.
- Save for the professional fees charged in relation to its role as, amongst others, the Principal Adviser to CIMBGH for the Issuance and as potential holders of the MTNs (please see below for further details), CIMB IB will not be deriving any monetary benefit from the Issuance outside of its aforesaid capacities.

Additionally, CIMB IB, CIMB Bank Berhad and CIMB Islamic Bank Berhad (“**CIMB Islamic**”) have obtained approval from Bank Negara Malaysia to subscribe for the MTNs at the primary level from time to time throughout the tenure of the Programmes, subject to the conditions prescribed by Bank Negara Malaysia. If any of the above entities decide to subscribe for any MTNs, then the Lead Arranger/Lead Manager or its related entities would also have an exposure to the Issuer at the time of issuances of MTNs under the MTN Programme.

CIMB Islamic Shariah Committee (“**Shariah Committee**”) is the Syariah Adviser for the Islamic MTN Programme. The Shariah Committee is a committee for CIMB Islamic of which the Issuer is the ultimate holding company. However, members of the Shariah Committee comprise shariah scholars from external organisations including those from the middle east. The Shariah Committee has considered the factors involved and believe in the objectivity and independence of the Shariah Committee in carrying out its role as the Syariah Adviser for the Islamic MTN Programme.

The Board of Directors of CIMBGH are fully informed and is aware of the potential conflict of interest situation set out above and are agreeable to proceed with the present arrangement.