

LODGEMENT KIT - PART 3 CORPORATE BONDS AND SUKUK

SECTION 1: LODGEMENT FORM FOR CORPORATE BONDS OR SUKUK

INFORMATION AND DOCUMENTS TO BE SUBMITTED TO THE SC AT THE POINT OF LODGEMENT

1.04 Other terms and conditions

(1) Identified assets : Sukuk Murabahah

Shariah-compliant commodities which may include but are not limited to crude palm oil or such other acceptable commodities (excluding ribawi items in the category of medium of exchange such as currency, gold and silver) which are provided through the commodity trading platform (Bursa Suq Al- Sila') and/or other independent commodity brokers as approved by its Shariah Adviser which will be identified at or around the time of issuance of the Sukuk Murabahah ("**Commodities**").

AT1 Sukuk Mudharabah

- (i) Shariah-compliant investment in Ringgit-denominated and foreign currency-denominated Islamic financial instruments approved by BNM's Shariah Advisory Council or the SC's SAC;
- (ii) funding of Islamic business activities of Maybank's subsidiaries and overseas branches; and/or
- (iii) any other Shariah-compliant business activities of the Issuer.

(2) Purchase and selling price/rental (where applicable) : Sukuk Murabahah
Purchase Price

The Purchase Price in relation to each purchase of the Commodities shall be equal to the proceeds of the Sukuk Murabahah and shall comply with the asset pricing requirements stipulated under Section C of the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015 and amended on 26 April 2021 (as amended from time to time) ("**LOLA Guidelines**").

Deferred Sale Price

The Deferred Sale Price shall comprise the Purchase Price of the relevant series of the Sukuk Murabahah plus the Profit Margin in respect of that series and will be determined prior to the sale of the Commodities to the Purchaser.

AT1 Sukuk Mudharabah

Not applicable.

(3) Profit/ coupon/ rental payment frequency : Sukuk Murabahah

The Sukukholders will receive Periodic Profit Payment at semi-annual intervals or any other interval to be determined at the point of issuance of each series of the Sukuk Murabahah (each

semi-annual or any other profit period being a “**Periodic Payment Period**”).

AT1 Sukuk Mudharabah

Subject to, *inter alia*, the ‘Limitation on Payment’ clause and the ‘Distributable Reserves’ clause, the AT1 Sukuk Mudharabah confer a right to receive Periodic Distributions payable at the applicable Distribution Rate (as defined in paragraph ‘Other terms and conditions – Profit/ coupon/ rental payment rate’) at semi-annual intervals or any other interval to be determined at the point of issuance of each series of the AT1 Sukuk Mudharabah in arrears (“**Periodic Distribution Date**”).

(4) Profit/ coupon/ rental payment basis : Actual / 365 days

(5) Profit/ coupon/ rental payment rate : **Sukuk Murabahah**

For each series of relevant Sukuk Murabahah, the Issuer may (at its sole discretion and prior to issuance), decide to incorporate an option to reset the Profit Rate for that particular series (“**Reset Feature**”). The Reset Feature will be applicable and triggered as follows:

- (i) in the case of Subordinated Sukuk Murabahah, when such Subordinated Sukuk Murabahah with a Reset Feature is not redeemed on the First Call Date (as defined below); and
- (ii) in the case of Sustainability-Linked Senior Sukuk Murabahah, when the KPIs and/or SPTs in relation to the Sustainability-Linked Senior Sukuk Murabahah is not met in accordance with the terms as specified in the relevant Sustainable Sukuk Issuance Document.

The pricing supplement, if applicable, or any other relevant issuance documents disclosing the terms and conditions of that relevant series of the Subordinated Sukuk Murabahah and the Sustainability-Linked Senior Sukuk Murabahah to be issued will set out whether the Reset Feature is applicable and the relevant Reset Profit Rate.

For the avoidance of doubt, the Reset Feature is not applicable to:

- (i) the Senior Sukuk Murabahah, except for issuance of Sustainability-Linked Senior Sukuk Murabahah where Reset Feature is applicable (to be determined prior to issuance and specified in the relevant Sustainable Sukuk Issuance Documents); and
- (ii) Subordinated Sukuk Murabahah without Periodic Profit Payment.

The Issuer shall pay the Periodic Profit Payment on each series of Sukuk Murabahah at the following rate (“**Profit Rate**”):

- (a) In respect of a series of Sukuk Murabahah where there is no Reset Feature, at the profit rate which is determined prior to the issuance (“**Initial Profit Rate**”), which shall be:

- (i) a fixed rate (“**Fixed Profit Rate**”) per annum of the nominal value of that series; or
 - (ii) a floating rate (“**Initial Floating Rate**”) per annum of the nominal value of that series, being the aggregate of the Initial Spread for Floating Rate (as defined below) and the Relevant Floating Rate Benchmark (as defined below) subject to the Maximum Profit Rate; and
- (b) In respect of a series of Subordinated Sukuk Murabahah where there is a Reset Feature:
 - (i) For the period from and including the issue date to but excluding, the First Call Date (as defined below), at the Initial Profit Rate subject to the Maximum Profit Rate; and
 - (ii) For the period from and including the First Call Date to but excluding the Maturity Date, at the Reset Profit Rate (as defined below) which shall be:
 - (A) a fixed profit rate per annum of the nominal value of that series, at the Relevant Reset Fixed Rate (as defined below) provided that such Relevant Reset Fixed Rate shall not be higher than the Maximum Profit Rate designated for such series of Subordinated Sukuk Murabahah; or
 - (B) a floating rate per annum of the nominal value of that series, being the aggregate of the Initial Spread for Floating Rate and the Relevant Floating Rate Benchmark subject to the Maximum Profit Rate.
- (c) In respect of a series of Sustainability-Linked Senior Sukuk Murabahah where there is a Reset Feature, if the Reset Feature is triggered, the profit rate shall be reset to the Reset Profit Rate (subject to the Maximum Profit Rate). If the Reset Feature is not triggered, the relevant profit rate shall be applicable throughout the tenure of the Sustainability-Linked Senior Sukuk Murabahah. The relevant profit rate and Reset Profit Rate shall be specified in the relevant Sustainable Sukuk Issuance Documents.

In respect of the relevant series of Subordinated Sukuk Murabahah, the Issuer shall notify the Sukuk Trustee promptly of the final Reset Profit Rate, which will be determined no later than five (5) Business Days prior to the First Call Date, in accordance with the terms of the Transaction Documents.

For the avoidance of doubt, in respect of any series of Sukuk Murabahah for which the Deferred Sale Price is determined by reference to a Maximum Profit Rate, in the event that at any time the Profit Rate is higher than the Maximum Profit Rate for that series, the Issuer shall be obliged to make Periodic Profit Payment at the Maximum Profit Rate only.

“First Call Date” means the Periodic Payment Date after a minimum period of five (5) years from the Issue Date of that series of Subordinated Sukuk Murabahah.

“Initial Spread for Fixed Rate” means the initial spread to be determined at the point of issuance of the relevant series of the Subordinated Sukuk Murabahah, where applicable, and expressed as a rate in per cent. per annum, being the initial spread above the Malaysian Government Securities (“MGS”) rate in per cent. per annum for the period from (and including) the Issue Date to (but excluding) the First Call Date as at the point of issuance. The Initial Spread for Fixed Rate shall be calculated at the point of issuance and shall be applicable throughout the tenure of the relevant Subordinated Sukuk Murabahah.

“Initial Spread for Floating Rate” means the initial spread to be determined at the point of issuance of the relevant series of the Sukuk Murabahah, where applicable, and expressed as a rate in per cent. per annum, being the initial spread above the Relevant Floating Rate Benchmark. The Initial Spread for Floating Rate shall be calculated at point of issuance and shall be applicable throughout the tenure of the relevant series of the Sukuk Murabahah.

“Maximum Profit Rate” is a rate to be agreed between the Issuer and the Lead Manager for the purposes of calculating the aggregate Periodic Profit Payment in determining the Deferred Sale Price for:

- (a) a series of Sukuk Murabahah where there is no Reset Feature and the Profit Rate is a floating rate; and
- (b) a series of Subordinated Sukuk Murabahah or Sustainability-Linked Senior Sukuk Murabahah, where there is a Reset Feature.

“Relevant Floating Rate Benchmark” means Kuala Lumpur Interbank Offered Rate for six-month (or such other relevant period) Ringgit deposits or such other appropriate inter-bank rate for six-month (or such other relevant period) Ringgit deposits.

“Relevant Reset Fixed Rate” means a fixed rate per annum equal to the relevant prevailing MGS rate in per cent. per annum for the period from the First Call Date to the Maturity Date of the relevant series of Subordinated Sukuk Murabahah plus the Initial Spread for Fixed Rate (as defined above). The applicable MGS rate shall be determined and notified by the Facility Agent to the Issuer and Subordinated Sukukholders as published by a recognised industry body or a relevant authority at or about the time prescribed by the recognised industry body or the relevant authority on the fifth (5th) business day preceding the First Call Date.

“Reset Profit Rate” means the profit rate as determined in accordance with the Reset Feature of the Subordinated Sukuk Murabahah or Sustainability-Linked Senior Sukuk Murabahah (as the case may be).

AT1 Sukuk Mudharabah

Subject to, *inter alia*, the ‘Limitation on Payment’ clause and the ‘Distributable Reserves’ clause, the AT1 Sukuk Mudharabah confer a right to receive periodic distributions (“**Periodic Distributions**”) up to the Expected Periodic Distribution Amount from (and including) the issue date at the applicable expected profit rate (“**Distribution Rate**”) out of the Distributable Reserves (as defined in paragraph ‘Other terms and conditions – Distributable Reserves’) of the Issuer.

The Distribution Rate applicable to each series of the AT1 Sukuk Mudharabah shall be:

- (a) For the period from and including the issue date to but excluding, the First Call Date (as defined below), at either of the following rate (*to be determined prior to issuance*):
 - (i) a fixed profit rate per annum of the nominal value of that series; or
 - (ii) a floating rate per annum of the nominal value of that series, to be reset semi-annually or such other frequency to be determined prior to issuance, being the aggregate of the Initial Spread for Floating Rate (as defined below) and the Relevant Floating Rate Benchmark (as defined below); and
- (b) For the period from and including First Call Date to but excluding the immediately following Reset Date (as defined below) and every equivalent period thereafter, at either of the following rate (*to be determined prior to issuance*) (“**Reset Distribution Rate**”):
 - (i) a fixed rate per annum of the nominal value of that series at the Relevant Reset Distribution Rate (as defined below); or
 - (ii) a floating rate per annum of the nominal value of that series, to be reset semi-annually or such other frequency to be determined prior to issuance, being the aggregate of the Initial Spread for Floating Rate and the Relevant Floating Rate Benchmark.

The Issuer shall notify the Sukuk Trustee promptly of the Reset Distribution Rate, which will be determined no later than five (5) Business Days prior to the Reset Date, in accordance with the terms of the Transaction Documents.

Definitions in relation to the AT1 Sukuk Mudharabah:

“**Expected Periodic Distribution Amount**” refers to the expected periodic distribution amount based on the Distribution Rate payable on the Periodic Distribution Date.

“First Call Date” means the Periodic Distribution Date after a minimum period of five (5) years from the Issue Date of that series of AT1 Sukuk Mudharabah.

“Initial Spread for Fixed Rate” means the initial spread to be determined at the point of issuance of the relevant series of the AT1 Sukuk Mudharabah and expressed as a rate in per cent. per annum, being the initial spread above the MGS rate in per cent. per annum for the Reference Period (as defined below). The Initial Spread for Fixed Rate shall be calculated at the point of issuance and shall be applicable throughout the tenure of the relevant AT1 Sukuk Mudharabah.

“Initial Spread for Floating Rate” means the initial spread to be determined at the point of issuance of the relevant series of the AT1 Sukuk Mudharabah, where applicable, and expressed as a rate in per cent. per annum, being the initial spread above the Relevant Floating Rate Benchmark. The Initial Spread for Floating Rate shall be calculated at the point of issuance and shall be applicable throughout the tenure of the relevant AT1 Sukuk Mudharabah.

“Reference Period” means, in relation to a series of the AT1 Sukuk Mudharabah, a period of time equal to that commencing on the issue date of that series and ending on the date immediately before the First Call Date of that series (**“Initial Period”**), and being a minimum period of five (5) years and shall also include every subsequent period of time after the First Call Date equivalent to the Initial Period.

“Relevant Floating Rate Benchmark” means KLIBOR for six-months (or such other relevant period) Ringgit deposits or such other applicable rates for such relevant period, to be determined prior to the issuance of the relevant series of the AT1 Sukuk Mudharabah.

“Relevant Reset Distribution Rate” means a fixed rate per annum equal to the relevant prevailing MGS rate in per cent. per annum for the relevant Reference Period with respect to the relevant Reset Date plus the Initial Spread for Fixed Rate.

“Reset Date” means each date falling on the first day of each Reference Period after the First Call Date of the relevant series of the AT1 Sukuk Mudharabah.

(6) **Details on utilisation of proceeds by Issuer** : The proceeds of each series of the Sukuk Murabahah and AT1 Sukuk Mudharabah issued under the Sukuk Programme will be applied for the following Shariah-compliant purposes:

- (i) to fund the Issuer’s investments in Ringgit-denominated and foreign currency-denominated Islamic financial instruments approved by BNM’s Shariah Advisory Council or the SC’s SAC;
- (ii) funding of Islamic business activity of Maybank’s subsidiaries and overseas branches; and
- (iii) any other Shariah-compliant business activities of the Issuer,

where the returns from such investments shall be used for the Periodic Profit Payment of the Subordinated Sukuk Murabahah

or Senior Sukuk Murabahah and the Periodic Distributions of the AT1 Sukuk Mudharabah.

In addition, any such returns with an amount higher than the Periodic Profit Payment or Periodic Distributions (as the case may be) (at that point in time) can be used for purposes as per items (i), (ii) and (iii) of this clause (*Details on Utilisation of Proceeds by Issuer*). For the avoidance of doubt, in the case of the AT1 Sukuk Mudharabah, such returns refer to the amount retained as the Reserve.

In addition to the above, for any issuance of Sustainability Senior Sukuk Murabahah, the utilisation of proceeds thereof shall be subject to the requirements as set out in the applicable Sustainable Framework and the applicable Sustainability Guidelines under which such Sustainability Senior Sukuk Murabahah are issued, details of which shall be further set out in the Sustainable Sukuk Issuance Documents.

- (7) **Listing status and types of listing, where applicable** : The Sukuk Murabahah and the AT1 Sukuk Mudharabah may be listed on Bursa Malaysia Securities Berhad (under the Exempt Regime).
- (8) **Status** : **Subordinated Sukuk Murabahah**

The Subordinated Sukuk Murabahah will constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking pari passu without any preference amongst themselves.

In the event of the winding-up or liquidation of the Issuer, the claims of the Subordinated Sukukholders against the Issuer in respect of the Subordinated Sukuk Murabahah will be subordinated in right of payment to the claims of depositors and all other unsubordinated creditors of the Issuer and will rank at least pari passu in right of payment with all other Subordinated Indebtedness (as defined below), present and future, of the Issuer. Claims in respect of the Subordinated Sukuk Murabahah will rank in priority to the rights and claims of holders of subordinated liabilities which by their terms rank or expressed to rank in right of payment junior to the Subordinated Sukuk Murabahah and all classes of equity securities of the Issuer, including holders of preference shares.

“Subordinated Indebtedness” means all indebtedness which is subordinated, in the event of the winding-up or liquidation of the Issuer, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer, and for this purpose indebtedness shall include all liabilities, whether actual or contingent.

Senior Sukuk Murabahah

The Senior Sukuk Murabahah will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking pari passu without any preference amongst themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, except those preferred by law.

AT1 Sukuk Mudharabah

The AT1 Sukuk Mudharabah pursuant to the relevant Transaction Documents will constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The rights and claims of the AT1 Sukukholders are subordinated in the manner described below. Subject to the laws of Malaysia, in the event of a Winding-Up (as defined below) of the Issuer, the rights of the AT1 Sukukholders to payment of nominal value and Periodic Distributions on the AT1 Sukuk Mudharabah and any other obligations in respect of the AT1 Sukuk Mudharabah are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors (as defined below, which includes, but is not limited to, holders of Tier 2 Capital Instruments (as defined below)) and will rank senior to all Junior Obligations (as defined below). The AT1 Sukuk Mudharabah will rank *pari passu* with Parity Obligations (as defined below).

Definitions in relation to the AT1 Sukuk Mudharabah:

“**Junior Obligation**” means any ordinary share of the Issuer.

“**Parity Obligation**” means the most junior class of preference shares and any security or other similar obligation issued, entered into or guaranteed by the Issuer that constitutes as Additional Tier 1 capital of the Issuer, or otherwise ranks *pari passu* with the AT1 Sukuk Mudharabah.

“**Senior Creditors**” means (i) any depositors, creditors of the Issuer (including holders of any security or other similar obligation issued, entered into or guaranteed by the Issuer that constitutes Tier 2 Capital Instruments) other than those whose claims rank or are expressed to rank, by its terms or by operation of law, *pari passu* or junior to the claims of the AT1 Sukukholders; and (ii) any class of the Issuer’s share capital (excluding the most junior class of preference shares and ordinary shares).

“**Tier 2 Capital Instruments**” means (i) any capital instrument issued by the Issuer or (ii) any other similar obligation issued by any subsidiary of the Issuer that is guaranteed by the Issuer that, in each case, constitutes Tier 2 capital of the Issuer on an unconsolidated or consolidated basis, pursuant to the relevant requirements set out in BNM Capital Adequacy Framework.

“**Winding-Up**” means a final and effective order or resolution for the winding up, liquidation, dissolution or similar proceedings.

- (9) **Transaction Documents** : Such documentation shall include, but are not be limited to, the following:
- (i) the Programme Agreement;
 - (ii) the Trust Deeds;
 - (iii) the Sukuk Murabahah represented by the Global Certificates or the Definitive Certificates;
 - (iv) the AT1 Sukuk Mudharabah represented by the Global Certificates or the Definitive Certificates;
 - (v) the Securities Lodgement Form; and

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Sukuk Programme of up to RM30.0 billion (upsized from RM10.0 billion) in nominal value**

- (vi) all other agreements executed or to be executed by Maybank in connection with the Sukuk Murabahah and the AT1 Sukuk Mudharabah and agreed by the Issuer and the Sukuk Trustee to be designated as a Transaction Document, and includes any amendments, variations and/or supplementals made or entered into from time to time and references to “**Transaction Document**” mean any one of them.
- (10) **Taxation** : All payments in respect of the Sukuk Murabahah, the AT1 Sukuk Mudharabah and the Transaction Documents by the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any authority having power to tax, unless such withholding or deduction is required by law in which case the Issuer shall pay additional amounts so that the full amount which otherwise would have been due and payable under the Sukuk Murabahah and the AT1 Sukuk Mudharabah is received by parties entitled thereto.
- (11) **Redemption** : Unless previously redeemed or purchased and cancelled, the Sukuk Murabahah shall be redeemed by the Issuer at 100% of their nominal value on the Maturity Date.
- (12) **Form and Denomination** : Issuance of the Sukuk Murabahah and the AT1 Sukuk Mudharabah shall be in accordance with:-
- (i) the “Participation and Operation Rules for Payments and Securities Services” issued by PayNet (“**PayNet Rules**”);
 - (ii) the “Operational Procedures for Securities Services” issued by PayNet (“**PayNet Procedures**”),
- or their replacement thereof (collectively “**PayNet Rules and PayNet Procedures**”) applicable from time to time; and
- (iii) any other procedures/guidelines/rules issued by the relevant authorities from time to time (as the same may be amended and/or substituted from time to time).
- Each series of the Sukuk Murabahah and the AT1 Sukuk Mudharabah shall be represented by a global certificate to be deposited with BNM, and is exchangeable for definitive bearer certificates only in certain limited circumstances. The denomination of the Sukuk Murabahah and the AT1 Sukuk Mudharabah shall be RM1,000 or in multiples of RM1,000 at the time of issuance.
- (13) **Jurisdiction** : The Issuer shall submit to the exclusive jurisdiction of the courts of Malaysia.
- (14) **Redemption Conditions (applicable to the Subordinated Sukuk Murabahah and AT1** : Any redemption of the Subordinated Sukuk Murabahah or AT1 Sukuk Mudharabah (whether pursuant to the Call Option or otherwise) shall be subject to compliance with the Redemption Conditions. Redemption Conditions means:

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| <p>Sukuk Mudharabah only)</p> | <ul style="list-style-type: none"> (i) the Issuer is solvent at the time of any redemption of that series of Subordinated Sukuk Murabahah or AT1 Sukuk Mudharabah and immediately thereafter; (ii) the Issuer has obtained the written approval of BNM prior to redemption of that series of Subordinated Sukuk Murabahah or AT1 Sukuk Mudharabah; and (iii) the Issuer shall: <ul style="list-style-type: none"> (A) replace that series of the Subordinated Sukuk Murabahah or AT1 Sukuk Mudharabah to be redeemed with capital of the same or better quality and the replacement of this capital shall be done at conditions which are sustainable for the income capacity of the Issuer; or (B) demonstrate to BNM that its capital position is well above the minimum capital adequacy and capital buffer requirements after redemption of such series of the Subordinated Sukuk Murabahah or AT1 Sukuk Mudharabah. |
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| <p>(15) Contingent Write-Off (applicable to the Subordinated Sukuk Murabahah and the AT1 Sukuk Mudharabah only)</p> | <p>: <u>Subordinated Sukuk Murabahah</u></p> <p>At the point of a Trigger Event, the Issuer shall irrevocably, without the consent of the Subordinated Sukukholders, write-off the Subordinated Sukuk Murabahah in whole or in part, if so required by BNM and/or Malaysia Deposit Insurance Corporation (“PIDM”) at their full discretion.</p> <p>Upon the occurrence of a Trigger Event, the Issuer is required to give notice to the Subordinated Sukukholders (via the Sukuk Trustee) and the rating agency in accordance with the terms of the Subordinated Sukuk Murabahah, then as of the relevant write-off date:</p> <ul style="list-style-type: none"> (i) the write-off shall reduce: <ul style="list-style-type: none"> (a) the claim of the Subordinated Sukuk Murabahah in liquidation. The Subordinated Sukukholders will be automatically deemed to irrevocably waive their right to receive, and no longer have any rights against the Issuer with respect to, payment of the aggregate nominal value of the Subordinated Sukuk Murabahah written-off; (b) the amount to be paid when a call option is exercised; and (c) profit payments on the Subordinated Sukuk Murabahah relating to the nominal value of the Subordinated Sukuk Murabahah written-off; (ii) the write-off shall be permanent and the full or part (as the case may be) of the nominal value of the Subordinated Sukuk Murabahah will automatically be written-off to zero and the whole or part (as the case may be) of the Subordinated Sukuk Murabahah will be cancelled; and |
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- (iii) the write-off of the Subordinated Sukuk Murabahah shall not constitute a Murabahah Enforcement Event or trigger cross-default clauses.

The write-off must generate Common Equity Tier 1 Capital (“**CET1 Capital**”) under the Malaysian Financial Reporting Standards and the Subordinated Sukuk Murabahah will only receive recognition in Tier 2 Capital up to the level of CET1 Capital generated by a full write-off of the Subordinated Sukuk Murabahah.

AT1 Sukuk Mudharabah

At the point of a Trigger Event, the Issuer shall irrevocably, without the consent of the Sukuk Trustee or AT1 Sukukholders, write-off the AT1 Sukuk Mudharabah, in whole or in part, if so required by BNM and/or PIDM at their full discretion.

Upon the occurrence of a Trigger Event, the Issuer is required to give notice to the AT1 Sukukholders (via the Sukuk Trustee) and the rating agency in accordance with the terms of the AT1 Sukuk Mudharabah, as the case maybe, then as of the relevant write-off date:

- (i) the write-off shall reduce:
 - (a) the claim of the AT1 Sukuk Mudharabah in liquidation. The AT1 Sukukholders will be automatically deemed to irrevocably waive their right to receive, and no longer have any rights against the Issuer with respect to, payment of the aggregate nominal value of the AT1 Sukuk Mudharabah written-off;
 - (b) the amount to be paid when a call option is exercised; and
 - (c) Periodic Distribution of AT1 Sukuk Mudharabah relating to the nominal value of the AT1 Sukuk Mudharabah written-off;
- (ii) the write-off shall be permanent and the full or part (as the case may be) of the nominal value of the AT1 Sukuk Mudharabah will automatically be written-off to zero and the whole or part (as the case may be) of the AT1 Sukuk Mudharabah will be cancelled; and
- (iii) the write-off of the AT1 Sukuk Mudharabah shall not constitute an AT1 Enforcement Event, or trigger cross-default clauses.

The write-off must generate CET1 Capital under the Malaysian Financial Reporting Standards and the AT1 Sukuk Mudharabah will only receive recognition in Tier 1 Capital up to the level of CET1 Capital generated by a full write-off of the AT1 Sukuk Mudharabah.

- (16) **Trigger Event** : A “**Trigger Event**” shall be the earlier of the following:
(applicable to the

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Sukuk Programme of up to RM30.0 billion (upsized from RM10.0 billion) in nominal value**

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| <p>Subordinated Sukuk Murabahah and the AT1 Sukuk Mudharabah only)</p> | <p>(i) the Relevant Malaysian Authority (the “Relevant Malaysian Authority” means BNM, jointly with PIDM) notifies the Issuer in writing that the Relevant Malaysian Authority is of the opinion that a write-off is necessary, without which the Issuer would cease to be viable; or</p> <p>(ii) the Relevant Malaysian Authority publicly announces that a decision has been made by BNM, PIDM, or any other federal or state government in Malaysia, to provide a capital injection or equivalent support to the Issuer, without which the Issuer would cease to be viable.</p> |
| <p>(17) Loss Absorption at the point of breach of CET1 Capital Ratio (applicable to the AT1 Sukuk Mudharabah only)</p> | <p>: If the Common Equity Tier 1 capital ratio (“CET1 Capital Ratio”) of the Issuer (consolidated or entity level) falls below 5.125%, the Issuer shall, without the need for the consent of the Sukuk Trustee or the AT1 Sukukholders, write-off the AT1 Sukuk Mudharabah (in whole or in part).</p> <p>The aggregate amount of AT1 Sukuk Mudharabah to be written-off must be at least the amount required to restore the Issuer’s and the consolidated Maybank Group’s CET1 Capital Ratio to at least 5.75%. If this is not possible, then the full principal value of the AT1 Sukuk Mudharabah will be written-off.</p> <p>“Maybank Group” means the Maybank group of companies.</p> |
| <p>(18) Limitation on Payment (applicable to the AT1 Sukuk Mudharabah only)</p> | <p>: The Issuer may, at its sole discretion and without prior notice to the AT1 Sukukholders, taking into account its specific financial and solvency condition (including insufficient income to pay the Periodic Distributions), elect to cancel any payment of Periodic Distribution, in whole or in part, on a non-cumulative basis. Any Periodic Distribution that has been cancelled shall be no longer due and payable at any time by the Issuer and shall not accrue, whether in a winding up situation or otherwise. Cancellation of a Periodic Distribution shall not constitute an AT1 Enforcement Event and does not entitle the AT1 Sukukholders to petition for the insolvency or winding-up of the Issuer. If the Issuer does not make any payment of Periodic Distribution on the relevant Periodic Distribution Date (or if the Issuer elects to make a payment of a portion, but not all, of such Periodic Distribution), such non-payment or part-payment shall serve as evidence of the Issuer’s exercise of its discretion to cancel such Periodic Distribution (or the portion of such Periodic Distribution not paid), and accordingly such Periodic Distribution (or the portion thereof not paid) shall not be due and payable.</p> <p>If practicable, the Issuer shall provide notice of any cancellation of Periodic Distribution (in whole or in part) to the AT1 Sukukholders on or prior to the relevant Periodic Distribution Date. If practicable, the Issuer shall endeavour to provide such notice at least five (5) business days prior to the relevant Periodic Distribution Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation of Periodic Distribution, or give the AT1 Sukukholders any rights as a result of such failure.</p> |
| <p>(19) No Claim by AT1 Sukukholders in respect</p> | <p>: No AT1 Sukukholder shall have any claim whatsoever in respect of any Periodic Distribution or part thereof cancelled and/or not</p> |

**Malayan Banking Berhad (“Maybank” or the “Issuer”)
Sukuk Programme of up to RM30.0 billion (upsized from RM10.0 billion) in nominal value**

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| <p>of Periodic Distributions (applicable to the AT1 Sukuk Mudharabah only)</p> | <p>due or payable as described under the ‘Limitation on Payment’ clause. Accordingly, such cancelled Periodic Distribution or part thereof shall not accrue or accumulate for the benefit of the AT1 Sukukholders or entitle the AT1 Sukukholders to any claim in respect thereof against the Issuer.</p> |
| <p>(20) Distributable Reserves (applicable to the AT1 Sukuk Mudharabah only)</p> | <p>: Any Periodic Distribution may only be paid out of Distributable Reserves. At any time, the amounts for the time being available to the Issuer for distribution as a dividend in compliance with Section 131 of the Companies Act 2016, as of the date of the Issuer’s latest audited financial statements provided that if the Issuer reasonably believes that the available amounts as of any Distribution Determination Date (as defined below) are lower than the available amounts as of the date of the Issuer’s latest audited financial statements and are insufficient to pay the Periodic Distributions and for payments of any dividends or other distributions in respect of Parity Obligations on the relevant Periodic Distribution Date, then two (2) directors of the Issuer shall provide a certificate, on or prior to such Distribution Determination Date, to the AT1 Sukukholders of the available amounts as of such Distribution Determination Date (which certificate of the two (2) directors will be binding in the absence of manifest error) and the “Distributable Reserves” as of such Distribution Determination Date for the purposes of such Periodic Distribution will mean the available amounts as set forth in such certificate.</p> <p>“Distribution Determination Date” means, with respect to any Periodic Distribution Date, the day falling two (2) business days prior to that Periodic Distribution Date.</p> |
| <p>(21) Distribution Stopper (applicable to the AT1 Sukuk Mudharabah only)</p> | <p>: If, on any Periodic Distribution Date, payment of Periodic Distributions scheduled to be made on such date is not made by reason of the ‘Limitation on Payment’ clause, the Issuer shall not:</p> <ul style="list-style-type: none"> (i) declare or pay, or permit any subsidiary of the Issuer to declare or pay, any dividends or other distributions in respect of Junior Obligations (or contribute any monies to a sinking fund for the payment of any dividends or other distributions in respect of any such Junior Obligations); (ii) declare or pay, or permit any subsidiary of the Issuer to declare or pay, any dividends or other distributions in respect of Parity Obligations the terms of which provide that the Issuer is not required to make payments of such dividends or other distributions in respect thereof (or contribute any monies to a sinking fund for the payment of any dividends or other distributions in respect of any such Parity Obligations); (iii) redeem, reduce, cancel, buy-back or acquire, or permit any subsidiary of the Issuer to redeem, reduce, cancel, buy-back or acquire, any Junior Obligations (or contribute any monies to a sinking fund for the redemption, capital reduction, buy-back or acquisition of any such Junior Obligations); or (iv) redeem, reduce, cancel, buy-back or acquire, or permit any subsidiary of the Issuer to redeem, reduce, cancel, buy-back or acquire, any Parity Obligations the terms of which |

provide that the Issuer is not required to redeem, reduce, cancel, buy-back or acquire such Parity Obligations (or contribute any monies to a sinking fund for the redemption, capital reduction, buy-back or acquisition of any such Parity Obligations),

in each case, until (a) the next scheduled Periodic Distributions to be paid in respect of such number of consecutive Distribution Periods as shall be equal to or exceed twelve (12) calendar months have been paid in full (or an amount equivalent thereto has been paid, or irrevocably set aside in a separately designated trust account for payment to the AT1 Sukukholders); or (b) the Issuer is permitted to do so by an extraordinary resolution of the AT1 Sukukholders.

- (22) **Dissolution Distribution Amount (applicable to the AT1 Sukuk Mudharabah only)** : **“Dissolution Distribution Amount”** means:
- (i) Upon the occurrence of an AT1 Enforcement Event, the aggregate of the nominal value of the relevant AT1 Sukuk Mudharabah together with Periodic Distributions accrued and not cancelled but unpaid (if any) to (but excluding) the date of the AT1 Enforcement Event; and
 - (ii) Upon early redemption (either pursuant to the exercise of a Call Option, Regulatory Redemption or Tax Redemption), the aggregate of the nominal value of the relevant AT1 Sukuk Mudharabah together with Periodic Distributions accrued and not cancelled but unpaid (if any) to (but excluding) the redemption date.
- (23) **Contingent Settlement (applicable to the AT1 Sukuk Mudharabah only)** : Upon the occurrence of a Capital Disqualification Event (as defined below) of a series of AT1 Sukuk Mudharabah, the Issuer may, at its option, redeem the relevant series of AT1 Sukuk Mudharabah pursuant to the Regulatory Redemption. The Issuer shall exercise its rights under the Sale Undertaking to require the Sukuk Trustee to sell the AT1 Sukukholders’ interest in the relevant Mudharabah Venture at the Exercise Price and enter into a sale agreement for such sale. The Sukuk Trustee shall use the aggregate proceeds thereof i.e. the Exercise Price, and any returns generated from the relevant Mudharabah Venture to redeem the relevant series of AT1 Sukuk Mudharabah. Any excess above the Dissolution Distribution Amount of the relevant series of AT1 Sukuk Mudharabah shall be waived by the AT1 Sukukholders and retained by the Mudharib as an incentive fee upon full redemption of the relevant series of AT1 Sukuk Mudharabah. Upon full payment of all amounts due and payable under the relevant series of AT1 Sukuk Mudharabah, the trust in respect of the relevant Mudharabah Venture will be dissolved and the relevant series of AT1 Sukuk Mudharabah held by the AT1 Sukukholders will be cancelled.

However, if on any Periodic Distribution Date, (i) a Capital Disqualification Event of a series of AT1 Sukuk Mudharabah has occurred prior to or on such date and is continuing and (ii) the Issuer has not exercised its option pursuant to the Regulatory Redemption, the Issuer shall, in respect of such series, be obliged to pay the Periodic Distribution accrued and payable in respect of the distribution period which ended on that Periodic Distribution Date and the ‘Limitation on Payment’ clause and the ‘Distributable Reserves’ clause shall cease to apply immediately thereafter. However, all other existing terms and conditions of that

series of AT1 Sukuk Mudharabah will still apply. For the avoidance of doubt, after the occurrence of a Capital Disqualification Event in respect of any series of AT1 Sukuk Mudharabah, the relevant Periodic Distribution shall neither be deferred nor cancelled by the Issuer.

After the occurrence of a Capital Disqualification Event of a series of AT1 Sukuk Mudharabah, any Profit Shortfall or excess of income from the Mudharabah Venture on a particular Periodic Distribution Date shall be dealt with in the manner as provided for in paragraph 5b of the ‘Facility Description’ section. Any non-payment of the Periodic Distribution post the occurrence of a Capital Disqualification Event would trigger the occurrence of an AT1 Enforcement Event.

“**Capital Disqualification Event**” means that the whole (and not just a part) of any series of AT1 Sukuk Mudharabah no longer qualify for inclusion as Additional Tier 1 capital of the Issuer for the purposes of BNM’s capital adequacy requirements under any applicable regulations.

(24) **No equity conversion (applicable to the AT1 Sukuk Mudharabah only)** : The AT1 Sukuk Mudharabah shall not entitle the AT1 Sukukholders to receive any form of equity interest in the Issuer at any point in time and the Issuer is not obliged to allot or issue any shares to or for the account of the AT1 Sukukholders upon the occurrence of a Trigger Event or otherwise. The AT1 Sukukholders shall not be entitled to participate in any distributions or entitlements to the Issuer’s shareholders or to attend or vote at any general meeting of the Issuer.

(25) **Trustees’ Reimbursement Account** : In respect of the Subordinated Sukuk Murabahah and AT1 Sukuk Mudharabah, the Issuer shall open and maintain two (2) separate Shariah-compliant account designated as “Trustees’ Reimbursement Account for Sukukholders’ Actions” (as required under the SC’s Trust Deeds Guidelines) (collectively, “**Trustees’ Reimbursement Accounts**”), in which a sum of RM30,000.00 is to be deposited therein for the Subordinated Sukuk Murabahah and the AT1 Sukuk Mudharabah respectively. The Trustees’ Reimbursement Accounts shall be operated by the Sukuk Trustee and the monies shall only be used strictly by the Sukuk Trustee in carrying out its duties in relation to the occurrence of a Murabahah Enforcement Event or an AT1 Enforcement Event (as the case may be) as provided in the relevant Trust Deed. The sum of RM30,000.00 in each of the Trustees’ Reimbursement Account shall be maintained at all times as long as there is any amount outstanding under the Subordinated Sukuk Murabahah or the AT1 Sukuk Mudharabah (as the case may be).

The monies in the Trustees’ Reimbursement Accounts may be invested in an Islamic-based account and/or Shariah-compliant instruments or securities in the manner provided in the relevant Trust Deed, with profit from the investment to accrue to the Issuer. The monies in the Trustees’ Reimbursement Accounts shall be returned to the Issuer upon full redemption of the Subordinated Sukuk Murabahah or the AT1 Sukuk Mudharabah (as the case may be) in the event there is no declaration of any Murabahah Enforcement Events or any AT1 Enforcement Events (as the case may be).

Malayan Banking Berhad (“Maybank” or the “Issuer”)
Sukuk Programme of up to RM30.0 billion (upsized from RM10.0 billion) in nominal value

- (26) **Tenure of the sukuk** : **Senior Sukuk Murabahah**
Each Senior Sukuk Murabahah issued under the Sukuk Programme shall have a minimum tenure of one (1) year.
- Subordinated Sukuk Murabahah**
Each Subordinated Sukuk Murabahah issued under the Sukuk Programme shall have a tenure of at least five (5) years subject to the Call Option (as defined herein).
- AT1 Sukuk Mudharabah**
Each AT1 Sukuk Mudharabah issued under the Sukuk Programme shall have a perpetual tenure, subject to the Call Option.
- (27) **Other Conditions** : The Sukuk Murabahah and the AT1 Sukuk Mudharabah shall at all times be governed by the guidelines issued and to be issued from time to time by the SC, BNM, PayNet and/or other relevant regulatory authorities.
- (28) **Option to Upsize** : The Issuer shall have the option to upsize the Sukuk Programme provided that:
- (a) such increase will not result in any adverse impact on the rating of the Sukuk Programme;
 - (b) the relevant requirements under the LOLA Guidelines in relation to such upsizing have been complied with; and
 - (c) the relevant regulatory approvals have been obtained (if applicable).
- Each Trust Deed for the Sukuk Programme will provide that the Sukukholders and the AT1 Sukukholders (as the case may be) consent to any upsizing of the programme limit from time to time. Accordingly, no consent will be required from the Sukukholders or the AT1 Sukukholders (as the case may be), the Sukuk Trustee or from any other party under the Sukuk Programme for the Issuer to exercise the option to increase the limit of the Sukuk Programme from time to time.
- (29) **Tanazul (waiver) (applicable to the AT1 Sukuk Mudharabah only)** : In the case of write-off (in whole or in part), the AT1 Sukukholders agree to waive their rights (based on *tanazul*) over payment of any realised income which would have otherwise been distributed as Periodic Distributions or part thereof and/or the nominal value of the AT1 Sukuk Mudharabah (such part being written off either in whole or in part, as the case may be) in the event of occurrence of:
- (i) Trigger Event; or
 - (ii) breach of CET1 Capital Ratio.
- In case of (ii), the aggregate amount to be written off must be at least the amount required to restore the Issuer’s and the consolidated Maybank Group’s CET1 Capital Ratio to the required level.
- (30) **Effective Date** : 30 June 2021, being the date the documents and evidence listed in Schedule 1 (conditions precedent) of the second supplemental programme agreement in relation to the Sukuk Programme, have

Malayan Banking Berhad (“Maybank” or the “Issuer”)
Sukuk Programme of up to RM30.0 billion (upsized from RM10.0 billion) in nominal value

been received in each case in form and content satisfactory to the Lead Arranger.