

## News Release

### **MAYBANK INVESTMENT BANK SUCCESSFULLY LAUNCHES SIME DARBY'S DEBUT RM2.2 BILLION PERPETUAL SUBORDINATED SUKUK**

*The largest perpetual Sukuk issuance globally by a non-bank, the largest Ringgit perpetual Sukuk to be issued to-date and the first perpetual Sukuk globally based on the Shariah principle of Wakalah*

**Kuala Lumpur, 24 March 2016** - Maybank Investment Bank Berhad (“**Maybank IB**”), as the Sole Principal Adviser, Lead Arranger and Lead Manager, successfully launched Sime Darby Berhad’s (“**Sime Darby**”) inaugural RM2.2 billion Perpetual Non-Call 10 years Subordinated Sukuk (“**Perpetual Sukuk**”) from its newly established RM3.0 billion Perpetual Subordinated Sukuk Programme (“**Sukuk Programme**”). The Perpetual Sukuk offering represents another milestone for Maybank IB in delivering landmark and innovative Sukuk transactions.

The Perpetual Sukuk is the largest perpetual Sukuk issuance globally by a non-bank, the largest Ringgit perpetual Sukuk issuance to-date and the first perpetual Sukuk globally based on the Wakalah principle. This unprecedented structure breaks away from the market norm of perpetual Sukuk, which are typically structured on the Musharakah and Mudharabah principle. These “firsts” reaffirm Sime Darby’s status as a key player in the development of the Islamic capital markets on the local and world stage.

Considering the tight timing amidst volatile market conditions, Maybank IB deployed a marketing and distribution strategy to engage high quality and real-money anchor investors to build a strong order book via a limited book build. Despite the challenging market backdrop, the offering received strong response, which reflected investors’ confidence towards Sime Darby. The positive response enabled Sime Darby to tighten the final yield to 5.65% p.a. and upsize the issuance from RM1.5 billion to RM2.2 billion, representing an oversubscription of 1.8 times.

Tan Sri Dato’ Seri Mohd Bakke Salleh, President & Group Chief Executive of Sime Darby commented “We are pleased to close this landmark transaction which is part of our continued steps towards deleveraging and managing our balance sheet. The Perpetual Sukuk with hybrid features is an innovative instrument which is well designed to meet Sime Darby’s balance sheet requirements. The strong investors demand, as evidenced in the oversubscription level, is also testament to the market’s continued confidence in Sime Darby.”

Commenting on the successful issuance of the Perpetual Sukuk offering, Chief Executive Officer of Maybank Kim Eng Group and Maybank IB, John Chong said “It is our privilege to work with Sime Darby again and to jointly introduce the innovative Sukuk Wakalah to the market. The innovative Sukuk structure, the first of its kind for an issuance of this nature, will further

enhance Malaysia's position as a global Islamic financial hub, and is a testament to our leadership in the global Sukuk space. We are also proud that the Maybank Group's participation in this transaction is holistic, where we delivered a complete and end-to-end solution."

The Sukuk Programme has been assigned a rating of AA<sub>15</sub> by Malaysian Rating Corporation Berhad (MARC). Sime Darby plans to use the proceeds from the issuance of Sukuk Wakalah largely for refinancing of its debt obligations.

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#### **About Maybank Investment Bank Berhad**

Maybank Investment Bank is one of Malaysia's leading investment banks with extensive dealing networks in the country, supported by one of the best research houses. It has been in operation for more than 40 years and has vast experience in undertaking large Initial Public Offerings of both domestic and international firms, executing primary/private placements and share buybacks, and advising on mergers & acquisitions. On the debt financing front, Maybank IB has a proven track record in advising and arranging both Islamic and conventional bond issuance. It also offers financial advisory services, specialising in energy, infrastructure and utilities sectors, as well as policy and strategy advisory services for both public and private sectors. Building up its capability in both equity and commodity solutions, Maybank IB also offers over-the-counter structured products and investment products on exchanges, and futures broking for institutional, corporate and retail investors. Known globally as Maybank Kim Eng, it has presence in 11 countries namely Malaysia, Singapore, Hong Kong, Thailand, Indonesia, Philippines, India, Vietnam, Saudi Arabia, Great Britain and the United States of America.

Maybank Kim Eng is the fully-owned investment banking arm of Maybank, one of Asia's leading banking groups and South East Asia's fourth largest bank by assets. The Maybank Group has an international network of 2,400 offices in 19 countries, over 46,000 employees serving more than 22 million customers worldwide.

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