

News Release

Trading Strategies in a Volatile Market - New Put Warrant & Call Warrant Issuance by Maybank Investment Bank Berhad

Kuala Lumpur, 22 May 2020 - Maybank Investment Bank Berhad (“Maybank IB”) has issued four new European style cash-settled put warrants and four new European style cash-settled call warrants over the ordinary shares of CIMB Group Holdings Berhad, Genting Malaysia Berhad, My E.G. Services Berhad, and SP Setia Berhad respectively, with tenors of approximately seven (7) months and an issue size of 100 million warrants each.

Put warrants allow investors with a bearish view on the underlying shares to benefit from a downward share price movement and typically increase in value when the price of the underlying share depreciates. On the contrary, the more regularly issued call warrants allow investors with a bullish view on the underlying shares to benefit from a rising share price and increase in value when the price of the underlying share appreciates.

This issuance is in line with Maybank IB Research’s view that besides the increasingly tangible earning headwinds due to the COVID-19 lockdown, Malaysia’s economic outlook is further challenged by sharply lower commodity prices (Oil & Gas, CPO, etc.) and continuing governance uncertainties. Furthermore, foreign investors have sold MYR2.7 billion net worth of Malaysia equities in April 2020, bringing the cumulative foreign net sell to MYR10.4 billion in the first four months of 2020.

In light of the uncertainties impacting the economy and equity market in the coming months, our put-call warrant pairing issuance provides investors an opportunity to express their short-term bullish or bearish views on the underlying shares. This allows investors to take advantage of any decline in share prices should the economic

landscape and corporate fundamentals deteriorate further and participate in a technical rebound or sustained recovery from the recent major sell-off. Investors are able to gain exposure to the banking, gaming, technology, and property sectors of the Malaysian economy through these warrants in-line with their personal directional outlook.

Additionally, call and put warrants are leveraged instruments that could potentially magnify any investment gains (or losses) should the directional views on the underlying shares materialise (or otherwise).

The put warrants are issued and listed as CIMB-HD, GENM-HB, MYEG-HA, and SPSETIA-HB, while the call warrants are issued and listed as CIMB-C63, GENM-C79, MYEG-C98, and SPSETIA-C28. The terms and conditions of these warrants are stated in their respective term sheets dated 21 May 2020. Investors should read these term sheets together with the Base Prospectus dated 15 November 2019 and First Supplementary Base Prospectus dated 21 May 2020.

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About Maybank Investment Bank Berhad

Maybank Investment Bank Berhad ("Maybank IB") is Malaysia's leading investment bank. It has been in operation for more than 40 years and offers a suite of financial solutions, which include debt advisory and arrangement via bonds/sukuk, project financing, leveraged financing and loan syndication, corporate finance, equity capital markets, merger and acquisition advisory, sector advisory, strategic advisory, equities derivatives, retail and institutional securities broking and research. Known globally as Maybank Kim Eng, it has presence in 10 countries namely Malaysia, Singapore, Hong Kong, Thailand, Indonesia, Philippines, India, Vietnam, 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 over 2,200 offices in Malaysia, Singapore, Indonesia, Philippines, Brunei Darussalam, Vietnam, Cambodia, Thailand, People's Republic of China, Bahrain, Uzbekistan, Myanmar, Laos, Pakistan, India, Saudi Arabia, Great Britain and the United States of America. The Group offers an extensive range of products and services, which includes consumer and corporate banking, investment banking, Islamic banking, stock broking, insurance and takaful and asset management. It has over 43,000 employees worldwide.

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