Suruhanjaya Sekuriti
Securities Commission
Malaysia

SC CORPORATE CASE STUDY SERIES

Proposed Merger of the Businesses and Undertakings of CIMB Group Holdings Berhad, RHB Capital Berhad and Malaysia Building Society Berhad and the Creation of an Enlarged Islamic Banking Franchise

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Exhibits

Exhibit 1
Timeline of the Proposed Merger

The timeline of the Proposed Merger is as follows:

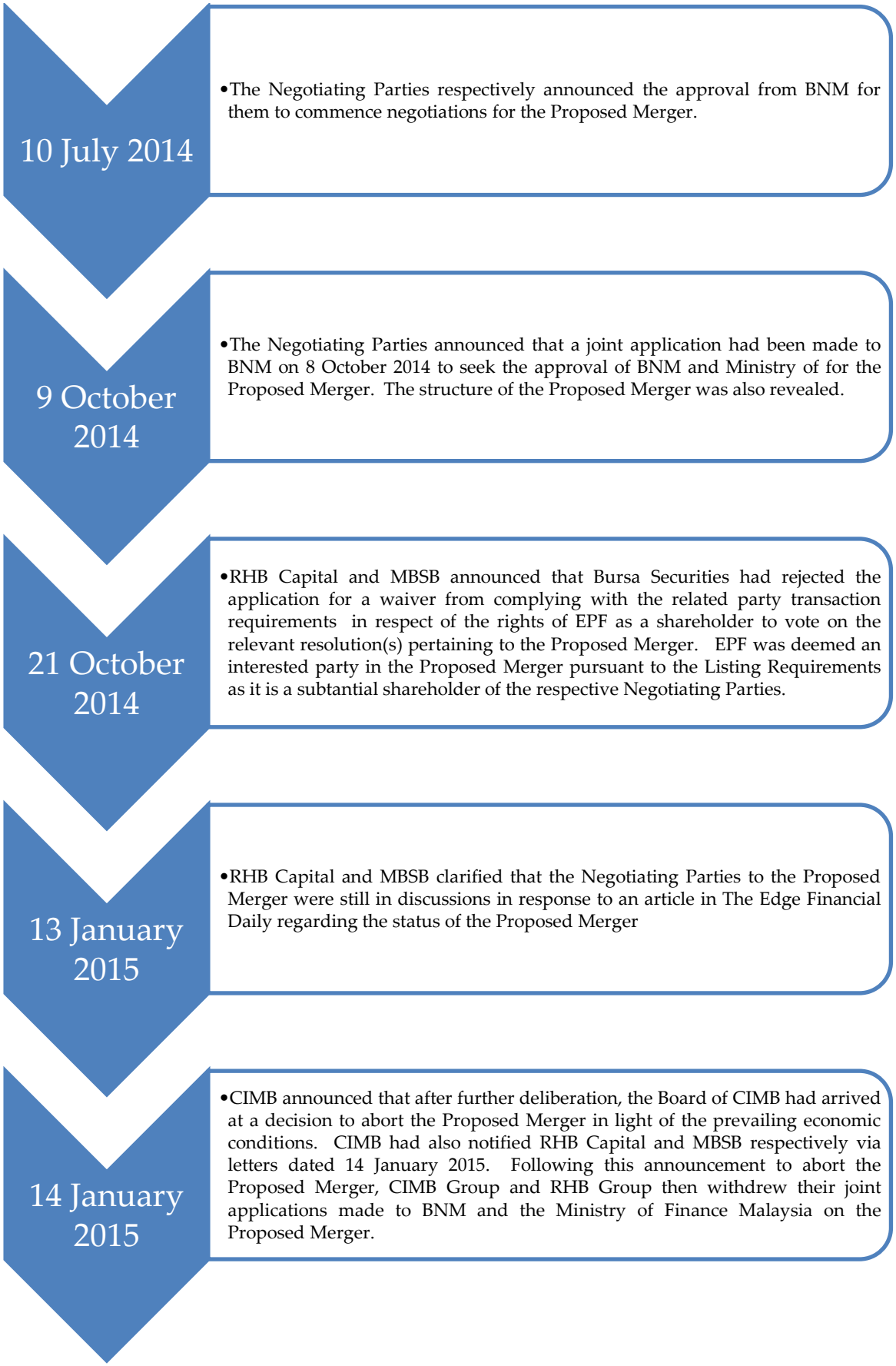

Exhibit 2
The Principal Activities of CIMB, CIMB Islamic, RHB Capital, RHB Islamic and MBSB

The principal activities of CIMB, CIMB Islamic, RHB Capital, RHB Islamic and MBSB are summarised in the table below:

Company	Principal activities
CIMB	The principal activity of CIMB is investment holding. The principal activities of the key subsidiaries are investment holdings, trustee services, special purpose vehicle, stock and share broking, real estate investment and fund management, corporate finance and advisory services, leasing, hire purchase financing, debt factoring, Islamic banking and related financial services, loan management, property management and nominee services. CIMB is listed on the Main Market of Bursa Securities.
CIMB Islamic	The principal activities of CIMB Islamic are the provision of Islamic banking and related financial services. CIMB Islamic is a wholly owned subsidiary of CIMB Bank, which in turn is a 99.9% owned subsidiary of CIMB Group Sdn. Bhd. CIMB Group Sdn. Bhd. is a 99.9% owned subsidiary of CIMB.
RHB Capital	The principal activity of RHB Capital is investment holding. The principal activities of its subsidiaries are the provision of commercial banking, Islamic banking, investment banking, stock broking, leasing, offshore banking, offshore trust services, general insurance, unit trust management, asset management and nominee and custodian services. RHB Capital is listed on the Main Market of Bursa Securities.
RHB Islamic	The principal activities of RHB Islamic are the provision of Islamic banking and related financial services. RHB Islamic is a wholly owned subsidiary of RHB Bank, which in turn is a wholly owned subsidiary of RHB Capital.
MBSB	MBSB is principally engaged in investment holding, money market activities, provision of financing, loans & mortgages and financial guarantees on a secured and unsecured basis, which include Islamic financing, and other related financial services. The principal activities of its subsidiaries are leasing of real property, property development, hotel operations and investment holding. MBSB is listed on the Main Market of Bursa Securities.

(Source: Annual reports 2014 of the Negotiating Parties)

Exhibit 3

Section 64 of the Act – Special resolution for the reduction of the share capital

Section 64 of the Act is as follows:

(1) Subject to confirmation by the Court a company may, if so authorized by its articles, by special resolution reduce its share capital in any way and in particular, without limiting the generality of the foregoing, may do all or any of the following:

(a) extinguish or reduce the liability on any of its shares in respect of share capital not paid-up;

(b) cancel any paid-up share capital which is lost or unrepresented by available assets; or

(c) pay off any paid-up share capital which is in excess of the needs of the company,

and may so far as necessary alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

(2) Where the proposed reduction of share capital involves either diminution of liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital, and in any other case if the Court so directs:-

(a) every creditor of the company who at the date fixed by the Court is entitled to any debt or claim which, if that date were the commencement of the winding up of the company, would be admissible in proof against the company shall be entitled to object to the reduction;

(b) the Court, unless satisfied on affidavit that there are no such creditors, shall settle a list of creditors so entitled to object and for that purpose shall ascertain as far as possible without requiring an application from any creditor the names of those creditors and the nature and amount of their debts or claims, and may publish notices fixing a final day on or before which creditors not entered on the list may claim to be so entered; and

(c) where a creditor entered on the list whose debt or claim is not discharged or has not determined does not consent to the reduction, the Court may dispense with the consent of that creditor on the company securing payment of his debt or claim by appropriating as the Court directs:-

(i) if the company admits the full amount of the debt or claim or though not admitting it is willing to provide for it, the full amount of the debt or claim; or

(ii) *if the company does not admit and is not willing to provide for the full amount of the debt or claim or if the amount is contingent or not ascertained, an amount fixed by the Court after the like inquiry and adjudication as if the company were being wound up by the Court.*

(3) Notwithstanding subsection (2) the Court may, having regard to any special circumstances of any case, direct that all or any of the provisions of that subsection shall not apply as regards any class of creditors.

(4) The Court, if satisfied with respect to every creditor who under subsection (2) is entitled to object, that either his consent to the reduction has been obtained or his debt or claim has been discharged or has determined or has been secured may make an order confirming the reduction on such terms and conditions as it thinks fit.

(5) An order made under subsection (4) shall show the amount of the share capital of the company as altered by the order, the number of shares into which it is to be divided and the amount of each share and the amount, if any, at the date of the order deemed to be paid up on each share.

(6) On the lodging of an office copy of the order with the Registrar the resolution for reducting share capital as confirmed by the order so lodged shall take effect.

(7) The certificate of the Registrar shall be conclusive evidence that all the requirements of this Act with respect to reduction of share capital have been complied with and that the share capital of the company is such as is stated in the order.

(8) On the lodging of the copy of the order the particulars shown in the order pursuant to subsection (5) shall be deemed to be substituted for the corresponding particulars in the memorandum and such substitution and any addition ordered by the Court to be made to the name of the company shall (in the case of any addition to the name, for such period as is specified in the order of the Court) be deemed to be alterations of the memorandum for the purposes of this Act.

(9) A member, past or present, shall not be liable in respect of any share to any call or contribution exceeding in amount the difference, if any, between the amount of the share as fixed by the order and the amount paid, or the reduced amount, if any, which is to be deemed to have been paid, on the share (as the case may be) but where any creditor entitled to object to the reduction is, by reason of his ignorance of the proceedings for reduction or of their nature and effect with respect to his claim, not entered on the list of creditors, and after the reduction the company is unable, within the meaning of the provisions of this Act with respect to winding up by the Court, to pay the amount of his debt or claim:-

(a) every person who was a member of the company at the date of the lodging of the copy of the order for reduction shall be liable to contribute for the payment of that debt or claim an amount not exceeding the amount which he would have been liable to contribute if the company has commenced to be wound up on the day before the said date; and

(b) if the company is wound up the Court, on the application of any such creditor and proof of his ignorance of the proceedings for reduction or of their nature and effect with respect to his claim may, if it thinks fit settle accordingly a list of persons so liable to contribute, and make and enforce calls and orders on the contributories settled on the list as if they were ordinary contributories in a winding up,

but nothing in this subsection shall affect the rights of the contributories among themselves.

(10) Every officer of the company who:-

(a) wilfully conceals the name of any creditor entitled to object to the reduction;

(b) wilfully misrepresents the nature of amount of the debt or claim of any creditor; or

(c) aids, abets or is privy to any such concealment or misrepresentation,

shall be guilty of an offence against this Act.

Penalty: Imprisonment for five years or thirty thousand ringgit.

(11) This section shall not apply to an unlimited company, but nothing in this Act shall preclude an unlimited company from reducing in any way its share capital, including any amount in its share premium account.