

PRICING SUPPLEMENT

Malayan Banking Berhad (Company No. 3813-K)

Issuance of Subordinated Sukuk Murabahah of Ringgit Malaysia Three Billion Seven Hundred Million (RM3,700,000,000) Pursuant to the Sukuk Murabahah Programme of up to Ringgit Malaysia Ten Billion (RM10,000,000,000) in Nominal Value (“Sukuk Murabahah Programme”)

Series No. 002 & Series No. 003

This document (“**Pricing Supplement**”) is issued to give details of an issue of Subordinated Sukuk Murabahah (the “**Subordinated Sukuk Murabahah**”) by Malayan Banking Berhad (Company No. 3813-K) (the “**Issuer**”) under its Sukuk programme of Ringgit Malaysia Ten Billion (RM 10,000,000,000.00) in nominal value (the “**Sukuk Programme**”).

This Pricing Supplement is to be read in conjunction with the terms and conditions of the Subordinated Sukuk Murabahah (the “**Conditions**”) set out in the trust deed dated 14 December 2016 made between the Issuer and Malaysian Trustees Berhad (Company No. 21666-V) as the Sukuk trustee (the “**Sukuk Trustee**”), which is made a part hereof as if set forth herein and all documents incorporated by reference therein (the “**Subordinated Sukuk Trust Deed**”). Unless otherwise defined in this Pricing Supplement, capitalised terms used herein have the same meaning as in the Conditions.

The establishment of the Sukuk Programme and the issuance of the Subordinated Sukuk Murabahah under the Sukuk Programme has been duly authorised by the resolutions passed by the Board of Directors of the Issuer on 25 November 2015 (as updated to the Board of Directors of the Issuer on 25 February 2016) and 24 October 2018.

The Issuer hereby acknowledges that it has authorised Maybank Investment Bank Berhad (Company No. 15938-H) as the Lead Manager for the Sukuk Programme.

This Pricing Supplement is circulated and distributed by the Lead Manager on behalf of the Issuer in respect of or in connection with the proposed offer or invitation to subscribe for and issue of the Subordinated Sukuk Murabahah only to prospective investors who fall within the ambit of the Selling Restrictions (as defined below) for the purpose of the sale of this Series of Subordinated Sukuk Murabahah described herein pursuant to the Sukuk Programme and that no further evidence of authorisation is required.

Selling Restrictions

The Subordinated Sukuk Murabahah may only be offered, sold, transferred or otherwise disposed, directly or indirectly to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase the Subordinated Sukuk Murabahah and to whom the Subordinated Sukuk Murabahah are issued would fall within:

- (a) at the point of issuance of the Subordinated Sukuk Murabahah:
 - (i) Part 1 of Schedule 6 or Section 229(1)(b); and
 - (ii) Part 1 of Schedule 7 or Section 230(1)(b); read together with
 - (iii) Schedule 9 or Section 257(3),of the CMSA;
- (b) after the issuance of the Subordinated Sukuk Murabahah:

- (i) Part 1 of Schedule 6 or Section 229(1)(b); read together with
- (ii) Schedule 9 or Section 257(3),

of the CMSA.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Subordinated Sukuk Murabahah or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

This Pricing Supplement is sent to selected persons who fall within the ambit of the Selling Restrictions. Any person who receives this Pricing Supplement who does not fall within the ambit of the Selling Restrictions must immediately notify the Lead Manager and return this Pricing Supplement to the Lead Manager or the Issuer.

The recipient must return this Pricing Supplement and any other information in connection therewith to the Lead Manager promptly upon the Lead Manager's request.

Specific Final Terms

The following items under this heading "**Specific Final Terms**" are the particular terms which relate to the Subordinated Sukuk Murabahah to which this Pricing Supplement relate. In case of any conflict between such terms and the terms and conditions set forth in the Subordinated Sukuk Trust Deed, the terms set forth in this Pricing Supplement shall govern.

1. **Issuer** : **MALAYAN BANKING BERHAD** (Company No. 3813-K)

2. **Series No.** : 002 and 003

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|---------------------------|------------|------------------|
| 3. Nominal Value : | Series 002 | RM 2,000,000,000 |
| | Series 003 | RM 1,700,000,000 |

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|-------------------------|------------|------------------|
| 4. Issue Price : | Series 002 | RM 2,000,000,000 |
| | Series 003 | RM 1,700,000,000 |

5. **Issue Date** : 31 January 2019

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|---------------------------|------------|-----------------|
| 6. Maturity Date : | Series 002 | 31 January 2029 |
| | Series 003 | 31 January 2031 |

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| 7. Tenure : | Series 002 | 10 years on a 10 non-callable 5 basis |
| | Series 003 | 12 years on a 12 non-callable 7 basis |

- 8. Details on Utilisation of Proceeds** : The proceeds from the Subordinated Sukuk Murabahah issued under the Sukuk Programme will be applied for the following Shariah-compliant purposes:
- (i) to fund Maybank's investments in Ringgit-denominated and foreign currency-denominated Islamic financial instruments approved by Bank Negara Malaysia's Shariah Advisory Council or the Securities Commission Malaysia's Shariah Advisory Council, where the returns from such investments shall be used for the periodic profit payment of the Subordinated Sukuk. In addition, any such returns with an amount higher than the periodic profit payment (at that point in time) can be used for purposes as per items (i), (ii) and (iii) of this section (*Details on Utilisation of Proceeds*);
 - (ii) funding of Islamic business activity of Maybank subsidiaries and overseas branches; and
 - (iii) any other Shariah-compliant business activities of Maybank.
- 9. Mode of Issue** : Private placement
- 10. Rating** : AA1 (RAM Rating Services Berhad)
- 11. Yield-to-Maturity / Profit Rate** :
- | | |
|------------|------------|
| Series 002 | 4.63% p.a. |
| Series 003 | 4.71% p.a. |
- 12. Reset Feature** : No
- 13. Periodic Payment Period** : Semi-annual
- 14. Call Option** : Yes
- 15. Call Date** :
- | | |
|------------|---|
| Series 002 | Callable on the fifth anniversary date from the Issue Date and on every periodic profit payment date thereafter with the first call date on 31 January 2024 |
| Series 003 | Callable on the seventh anniversary date from the Issue Date and on every periodic profit payment date thereafter with the first call date on 30 January 2026 |
- 16. Redemption Amount** :
- | | |
|------------|------------------|
| Series 002 | RM 2,000,000,000 |
| Series 003 | RM 1,700,000,000 |
- 17. Partial Redemption** : No

18. Other Conditions

Please refer to the Information Memorandum dated 22 November 2016 in relation to the Sukuk Programme for the other terms and conditions applicable to the Sukuk Programme.

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprise the final terms required for the specific issuance of Subordinated Sukuk Murabahah described herein pursuant to the Sukuk Programme.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. The Issuer confirms that having made all enquiries as were reasonable, the information contained in this Pricing Supplement is not false or misleading nor does this Pricing Supplement contain any material omission.

For and on behalf of the Issuer



Authorised Signatory of
Malayan Banking Berhad
(Company No. 3813-K)
as Issuer