

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 62nd Annual General Meeting of CIMB Group Holdings Berhad (“CIMB” or “the Company”) will be held at the Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia, on Monday, 22 April 2019 at 10.00 a.m. to transact the following businesses, with or without modifications:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire pursuant to Article 81 of the Company's Constitution:
 - 2.1 Datuk Mohd Nasir Ahmad
 - 2.2 Robert Neil Coombe
3. To re-elect Afzal Abdul Rahim who retires pursuant to Article 88 of the Company's Constitution.
4. To approve the payment of Non-Executive Directors' Remuneration with effect from the 62nd Annual General Meeting until the next Annual General Meeting of the Company.
5. To re-appoint Messrs. PricewaterhouseCoopers as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Board of Directors to fix their remuneration.

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

6. **Proposed Renewal of the Authority for Directors to Allot and Issue Shares.**

“**THAT** pursuant to Section 76 of the Companies Act, 2016, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the issued capital of the Company for the time being **AND THAT** the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act, 2016, whichever is the earlier.”

Ordinary Resolution 6

7. **Proposed Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company (CIMB Shares) in Relation to the Dividend Reinvestment Scheme that provides the Shareholders of the Company with the Option to Elect to Reinvest Their Cash Dividend Entitlements in New Ordinary Shares in the Company (DRS).**

“**THAT** pursuant to the DRS approved at the Extraordinary General Meeting held on 25 February 2013 and renewed at the Annual General Meeting held on 26 April 2018, approval be and is hereby given to the Company to allot and issue such number of new CIMB Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new CIMB Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted 5-day volume weighted average market price (VWAMP) of CIMB Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price and not less than the par value of CIMB Shares at the material time;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.”

Ordinary Resolution 7

8. **Proposed Renewal of the Authority to Purchase Own Shares.**

“**THAT**, subject to the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time), the Company's Constitution and the requirements of the Bursa Malaysia Securities Berhad (Bursa Securities) and approvals of all the relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company (Proposed Shares Buy-Back) as may be determined by the Board of Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Board of Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company at any point in time and an amount not exceeding the total retained earnings of approximately RM768 million based on the Audited Financial Statements for the financial year ended 31 December 2018 be allocated by the Company for the Proposed Shares Buy-Back **AND THAT** the ordinary shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or retained as treasury shares and cancel the remainder of the shares **AND THAT** where such shares are held as treasury shares, the Directors of the Company may distribute the shares as dividends, re-sold on Bursa Securities, transfer the shares under the employees' share scheme or as purchase consideration or otherwise use the shares for such other purposes as the Minister may by order prescribe **AND THAT** the Board of Directors of the Company be and are hereby given full authority generally to do all acts and things to give effect to the Proposed Shares Buy-Back with the full power to assent to any conditions, modifications, revaluations and/or amendments (if any) as may be imposed by the relevant authority with full power to do all such acts and things thereafter on any part of the shares bought back in accordance with the Companies Act, 2016, Company's Constitution, Main Market Listing Requirements of Bursa Securities and any other rules and regulations that may be in force from time to time **AND THAT** such authority shall commence immediately upon passing of this ordinary resolution until:

- i. the conclusion of the next Annual General Meeting of the Company in 2020 at which time such authority shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- iii. revoked or varied by ordinary resolution passed by the Shareholders of the Company in a general meeting;

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by the Bursa Securities and/or any other relevant authorities.”

Ordinary Resolution 8

9. To transact any other business of which due notice shall have been duly given in accordance with the Companies Act, 2016.

BY ORDER OF THE BOARD

Datin Rossaya Mohd Nashir

LS 0007591

Group Company Secretary

Kuala Lumpur

22 March 2019

Notice of Annual General Meeting (Continued)

NOTES:

Proxy

- Section 334 of the Companies Act, 2016 provides that a member of a company shall be entitled to appoint another person or persons as his/her proxy or proxies to exercise all or any of his rights to attend, participate, speak and vote at a meeting of members of the company. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy. A member shall be entitled to appoint only one (1) proxy unless he/she has more than 1,000 shares in which case he/she may appoint up to five (5) proxies provided each proxy appointed shall represent at least 1,000 shares.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if such appointor is a corporation, under its Seal or the hand of its attorney.
- This instrument duly completed must be deposited at the Registrar's office at Boardroom Share Registrars Sdn. Bhd., (formerly known as Symphony Share Registrars Sdn Bhd), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than twenty-four (24) hours before the time appointed for holding the meeting which is no later than 10.00 a.m. (Sunday, 21 April 2019).
- Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 62nd Annual General Meeting will be put to vote on a poll.

Members Entitled to Attend

- For the purpose of determining a member who shall be entitled to attend the 62nd Annual General Meeting, the Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 59(c) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a Record of Depositors as at 16 April 2019. Only a depositor whose name appears on the Record of Depositors as at 16 April 2019 shall be entitled to attend the said meeting or appoint proxies to attend, participate, speak and/or vote on his/her behalf.

Audited Financial Statements for the Financial Year ended 31 December 2018

- This Agenda item is meant for discussion only pursuant to the provisions of Section 340(1)(a) of the Companies Act, 2016 and will not be put forward for voting.

Re-election of Directors

- Article 81 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at the Annual General Meeting of the Company and be eligible for re-election. Two out of six Directors are to retire in accordance with Article 81 of the Company's Constitution. The Shareholders' approval is sought under **Ordinary Resolutions 1 and 2**.

Article 88 of the Company's Constitution provides that the Board shall have the power to appoint any person to be a Director to fill a casual vacancy or as an addition to the existing Board of Directors. The Shareholders' approval is sought under **Ordinary Resolution 3**.

Any Director so appointed shall hold office until the next Annual General Meeting and shall then be eligible for re-election.

The suitability of a Director as a Board member is in accordance with the BNM Guidelines on Corporate Governance and the Group's Fit and Proper Policies and Procedures for Key Responsible Persons. The Group Nomination and Remuneration Committee (GNRC) considered the following criteria in determining the eligibility of the Directors to stand for re-election at the 62nd Annual General Meeting:

- The Director's competency in specialised areas of practise and level of contribution to the Board through their knowledge, skills and expertise;
- The level of independence demonstrated by the Directors, and his ability to act in the best interest of the Company;
- Probity, personal integrity and reputation, where the Directors must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness; and
- Financial integrity, where the Directors must manage his debts or financial affairs prudently.

The Board has also conducted an assessment on the independence of the Independent Directors seeking re-election at this Annual General Meeting based on the criteria set by the Company and guided by the definition of "Independent Director" as prescribed by the Main Market Listing Requirements of Bursa Securities and Bank Negara Malaysia (BNM) Corporate Governance Policy. The Board has assessed their time and commitment to effectively discharge their respective roles as Directors of the Company. The retiring Directors had abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant GNRC and Board meetings, where applicable. The Board is satisfied that the Directors seeking for re-election have maintained their independence in the financial year ended 31 December 2018.

Section 54(2)(a) of the Financial Services Act 2013 (FSA) provides that the appointment, re-appointment, election or re-election as Chairperson, Director or Chief Executive Officer of the Company is subject to approval by BNM. In this respect, BNM's approval for the tenures of the Directors seeking re-election is still effective under **Ordinary Resolutions 1, 2 and 3**.

The profiles of Directors seeking re-election and re-appointment are set out in the Profile of Directors' section of the Company's Annual Report 2018.

Non-Executive Directors' Remuneration

- At the 61st Annual General Meeting held on 26 April 2018, CIMB obtained Shareholders' approval on the payment of Non-Executive Director's Remuneration with effect from the 61st Annual General Meeting until the next Annual General Meeting of the Company in 2019.

Pursuant to Section 230(1)(b) Companies Act 2016, Shareholders' approval is also required for the Non-Executive Directors' remuneration and benefits received from subsidiaries.

The proposed payment of remuneration under **Ordinary Resolution 4** comprises fees, allowances and benefits payable to the Chairperson and members of the Board and Board Committees in 2019 up to the Annual General Meeting in 2020, including remuneration payable by subsidiaries, with or without modifications, as follows:

CIMB		Retainer Fees (RM)	Chairperson's Allowance (RM)	Meeting Allowances (RM)	Benefits
Board	Chairperson	170,000	510,000	5,000	Club membership fees, driver, leave passage & other claimable benefits*
	Member	170,000	N/A	5,000	Claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors*
Committees	Chairperson	N/A	100,000	5,000	N/A
	Member	N/A	N/A	5,000	N/A

Note: * There has been no change to the benefits payable to the Non-Executive Directors

Name	Position Held	Fee Type	Amount
Datuk Mohd Nasir Ahmad	CIMB Bank Berhad		
	• Director	Board Retainer Fee – per annum	RM150,000
	• Audit Committee Chairperson	Audit Committee Chairperson's allowance – per annum	RM90,000
	• Board Risk and Compliance Committee member	Meeting allowance – per meeting	RM5,000
Dato' Lee Kok Kwan	CIMB Bank Berhad		
	• Director	Board Retainer Fee – per annum	RM150,000
	• Board Risk and Compliance Committee member	Meeting allowance – per meeting	RM5,000
Dato' Mohamed Ross Mohd Din	CIMB Islamic Bank Berhad		
	• Chairperson	Chairperson's allowance – per annum	RM140,000
		Board Retainer Fee – per annum	RM140,000
	• Board Risk and Compliance Committee Member	Meeting allowance – per meeting	RM5,000
	• Board Investment Committee Member	Meeting allowance – per meeting	RM5,000

The Directors and Officers of the Group and the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year amounted to RM988,409.

Please refer to page 239 of the Notes to the Financial Statements for the amount of Directors' Remuneration at the Group and the Company, for the Financial Year Ended 2018 comprising fees and benefits of RM15.84 million and RM4.18 million, respectively. The remuneration of each Director is set out in the Corporate Governance Overview on page 122 of the Company's Annual Report 2018.

Appointment of Auditors

- The Audit Committee (AC), at its meeting held on 3 December 2018 completed its annual assessment on the external auditors in accordance with CIMB's Guidelines for the Appointment/Re-appointment of External Auditors. In its assessment, the AC considered several factors before recommending the reappointment of the external auditors, as follows:

- Level of knowledge, capabilities, experience and quality of previous work;
- Level of engagement with the AC;
- Ability to provide constructive observations, implications and recommendations in areas requiring improvements;
- Adequacy in audit coverage, effectiveness in planning and conduct of audit;
- Ability to perform audit work within agreed timeframe;
- Non-audit services rendered by the external auditor did not impede independence; and
- The external auditor demonstrated unbiased stance when interpreting standards/policies adopted by the Company.

Being satisfied with Messrs. PricewaterhouseCoopers' (PwC) performance in 2018, their technical competency and audit independence as well as fulfillment of criteria as set out in CIMB's Guidelines for the Appointment/Re-appointment of External Auditors, the AC recommended the appointment of PwC as external auditors for the Financial Year ending 31 December 2019. The Board, at its meeting held on 31 January 2019, approved the AC's recommendation for the re-appointment of PwC as external auditors of the Company for the Financial Year ending 31 December 2019. The Shareholders' Resolution is sought under **Ordinary Resolution 5**.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

Authority for Directors to Allot and Issue Shares

- Resolution 6** is proposed for the purpose of renewing the general mandate for issuance of Shares by the Company under Section 76 of the Companies Act, 2016. If passed, it will give the Directors of the Company authority to issue ordinary shares in the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

The Company has issued 338,911,976 new shares pursuant to Section 76 of the Companies Act, 2016 under the general mandate sought at the 61st Annual General Meeting held on 26 April 2018, which will lapse upon the conclusion of the forthcoming 62nd Annual General Meeting to be held on 22 April 2019.

Authority for Directors to Allot and Issue New Ordinary Shares in Respect of the DRS

- The proposed **Resolution 7** will give authority to the Directors to allot and issue new ordinary shares in the Company in respect of the DRS, until the conclusion of the next Annual General Meeting. A renewal of this authority will be sought at the subsequent Annual General Meeting.

Authority to Purchase Own Shares

- Resolution 8**, if passed, will authorise the Directors to purchase CIMB shares through Bursa Securities up to 10% of the issued and paid-up share capital of the Company. Details of the Proposed Shares Buy-Back are contained in the Statement Accompanying Notice of Annual General Meeting despatched to the Shareholders together with the CIMB 2018 Annual Report.

Abstention from Voting

- Any Director referred to in **Resolutions 1, 2 and 3**, who is a Shareholder of the Company will abstain from voting on the resolutions in respect of his re-election at the 62nd Annual General Meeting.
- All Directors who are Shareholders of the Company will abstain from voting on **Resolutions 4** concerning Directors' remuneration at the 62nd Annual General Meeting.