STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(Pursuant to Paragraph 12.06(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

A. PROPOSED RE-ELECTION OF DIRECTORS PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The profile of the Directors who are standing for re-election (as per Ordinary Resolutions 1 to 3 as stated in the Notice of Annual General Meeting) at the 62nd Annual General Meeting of CIMB Group Holdings Berhad which 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. are as follows:

1. DATUK MOHD NASIR AHMAD (CHAIRPERSON/INDEPENDENT DIRECTOR)
   
   Nationality/Age/Gender: Malaysian/64/Male
   
   Academic/Professional Qualifications:
   1. Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom
   2. Chartered Accountant, Malaysian Institute of Accountants (MIA)
   3. Master of Business Administration (Finance), Universiti Kebangsaan Malaysia, Malaysia

   Working Experience/Occupation:
   Datuk Mohd Nasir Ahmad was appointed as Chairman/Independent Director of CIMB Group Holdings Berhad on 20 October 2018. He was re-designated as Member of Audit Committee of CIMB Group Holdings Berhad on 20 October 2018. He was the President of MIA from August 2011 to July 2013. He was elected as a Council Member of the ACCA UK in September 2013 and was re-elected in September 2016.
   
   He brings with him vast experience in the areas of finance, accounting and management which spans 39 years, having started his career as a Trainee Accountant with Tenaga Nasional Berhad (TNB) in 1979 and moving on to hold various positions in the Finance Division.
   
   In January 1993, Datuk Mohd Nasir was seconded to TNB’s subsidiary company, Malaysia Transformer Manufacturing Sdn Bhd as the Financial Controller before being appointed as Chief Executive Officer (CEO) in June 1994.
   
   In January 2000, he joined Sharikat Permodal Pasarusaha Kebangsaan Berhad as its CEO. On 1 June 2001, he was appointed CEO of Perbadanan Usahawan Nasional Berhad, a position he held until his retirement on 1 June 2011.
   
   Datuk Mohd Nasir also holds directorships in private companies such as Prokhas Sdn Bhd and CIMB EOP Management Sdn Bhd.

   Other Public Company Directorships:
   • Chairman of Media Prima Berhad

2. ROBERT NEIL COOMBE (INDEPENDENT DIRECTOR)
   
   Nationality/Age/Gender: Australian/55/Male
   
   Academic/Professional Qualifications:
   1. Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom
   2. Chartered Accountant, Malaysian Institute of Accountants (MIA)

   Working Experience/Occupation:
   Robert Neil Coombe was appointed as Chairperson of Board Risk and Compliance Committee on 23 January 2019 and a member of Group Nomination and Remuneration Committee on 24 January 2019. He is also CIMB’s Sustainability Sponsor to champion the Group’s sustainability efforts. He is currently the Executive Chairman of the ASX listed Generation Development Group, a financial services business focused on generational financial solutions. He is also Chairman of Craveable Brands, the largest Australian owned Quick Service Restaurant business. He was the CEO of Craveable Brands between 2013 and April 2017.
   
   Before joining Craveable Brands, Robert was responsible for all of Westpac’s Retail, Business and Agri banking operations throughout Australia. Prior to this role, Robert spent six years as the CEO of BT Financial Group, responsible for all of Westpac’s funds management, financial planning, insurance, private banking, broking, platform and superannuation businesses in Australia.
   
   In total, he has over 35 years’ corporate experience in both Australia and Asia.
   
   In addition to the above, Robert is a Director of Tabriz Capital, Surfing Australia and the Australian Indigenous Education Foundation. He is also a member of the Advisory Board of SV Capital Investors.

   Other Public Company Directorships:
   • Nil

   Public Companies
   • Nil

3. AFZAL ABDUL RAHIM (INDEPENDENT DIRECTOR)
   
   Nationality/Age/Gender: Malaysian/41/Male
   
   Academic/Professional Qualifications:
   1. Bachelor’s Degree in Mechanical Engineering with Electronics specialising in Acoustic Wave Theory, University of Sussex at Brighton, United Kingdom.

   Working Experience/Occupation:
   Afzal Abdul Rahim, was appointed as an Independent Director of CIMB Group Holdings Berhad on 31 January 2019. He had also been appointed as a Member of the Group Nomination and Remuneration Committee of CIMB Group Holdings Berhad and Chairs the CIMB Technology Strategic Panel. He previously served as an Independent Director of CIMB Bank Berhad from 29 June 2016 until 31 January 2019.

   Other Public Company Directorships:
   • Nil

   Public Companies
   • Nil
Afzal is a technology entrepreneur who currently serves as Commander-In-Chief of TIME dotCom Berhad, an ASEAN based telecoms operator encompassing Fixed Line, Data Centres and Global Submarine Cable Systems. He joined TIME in 2008 after establishing The AIMS Asia Group and Global Transit International in 2006.

Afzal founded the non-profit Malaysian Internet Exchange (MyIX) in 2006 and also serves as a Board Member of Endeavor Malaysia, an organisation that is devoted to nurturing high-impact entrepreneurs.

He began his career in the automotive sector, initially as a Chassis Development Engineer and thereafter managing clients on the engineering consultancy side of the business at Group Lotus PLC. Afzal is also a Licensed Commercial Pilot.

Other Public Company Directorships:

- Listed Companies
  - TIME dotCom Berhad
  - Symphony Communication Public Company Limited

He does not have any conflict of interest or any family relationship with any other Director and/or major shareholder of the Company.

He has not been convicted of any offences within the past five (5) years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2018.

The details of any interest in the securities of the Company (if any) held by the said Directors are stated on pages 15 to 16 of the Director’s Report in the Financial Statements Report 2018.

B. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO PARAGRAPH 6.03(3) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The details of the proposed renewal of the authority for Directors to issue shares by the Company under Section 76 of the Companies Act, 2016, are stated in the Explanatory Notes of the Notice of Annual General Meeting as set out on page 199 of this Annual Report.

C. PROPOSED SHARES BUY-BACK PURSUANT TO PARAGRAPH 12.06(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. INTRODUCTION

1.1 Renewal of Authority for CIMB to Purchase its Own Shares (Proposed Shares Buy-Back)

At the last Annual General Meeting of the Company held on 26 April 2018, the Company had obtained the Shareholders’ approval to purchase its own shares 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 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 of the Company for the financial year ended 31 December 2018.

The authority obtained by the Board of Directors for purchasing the Company’s own shares in accordance with the Main Market Listing Requirements of Bursa Securities governing shares buy-back by listed companies, will lapse at the conclusion of the forthcoming 82nd Annual General Meeting to be held on 26 April 2018, unless renewed by an ordinary resolution.

On 7 March 2019, the Company announced its intention to seek shareholders’ approval at the forthcoming 82nd Annual General Meeting, for the proposed renewal of the authority for the Company to purchase its own shares.

1.2 Purpose of Statement

The purpose of this Statement is to provide relevant information on the Proposed Shares Buy-Back and to seek your approval for the ordinary resolution to renew the authority for the Company to purchase its own shares, to be tabled at the forthcoming 62nd Annual General Meeting. The Notice of Annual General Meeting together with the Proxy Form is set out in this Annual Report.

The maximum number of shares that can be bought back under this authority will take into account the number of shares previously bought back and retained as treasury shares, if any.

Such authority, if approved, would be effective immediately upon passing of the ordinary resolution for the Proposed Shares Buy-Back until:

(i) the conclusion of the next Annual General Meeting of CIMB 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 Bursa Securities and/or any other relevant authorities.

The Board proposed to allocate an amount of up to retained earnings of the Company for the purchase of its own shares subject to Section 127 of the Companies Act, 2016 (as may be amended, modified or re-enacted from time to time) and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase (Prevailing Laws). The actual number of CIMB Shares to be purchased will depend on market conditions and sentiments of Bursa Securities as well as the retained earnings and financial resources available to the Company. The audited retained earnings of the Company as at 31 December 2018 was RM768 million.

CIMB may only purchase its own shares at a price which is not more than 15% above the weighted average market price for the past 5 market days immediately preceding the date of the purchase(s). The Company may only re-sell the purchased shares held as treasury shares at a price which is (a) not less than the weighted average market price of CIMB Shares for the 5 market days immediately preceding the date of re-sale or (b) at a discounted price of not more than 5% to the weighted average market price of CIMB Shares for the 5 market days immediately prior to the re-sale, provided that the re-sale takes place not earlier than 30 days from the date of purchase and the re-sale price is not less than the cost of purchase of the CIMB Shares being re-sold. The Company shall, upon each purchase or re-sale of shares bought back, make the necessary announcements through Bursa Securities.

The Proposed Shares Buy-Back will allow the Board to exercise the power of the Company to purchase its own shares at any time within the abovementioned time period using internally generated funds and/or external borrowings. The amount of internally generated funds and/or external borrowings to be utilised will only be determined at a later date, depending on the availability of internally generated funds, actual number of CIMB Shares to be purchased, the anticipated future cash flows of the Group and other cost factors.

The CIMB Shares purchased and held as treasury shares may be distributed as share dividends, re-sold on Bursa Securities in accordance with the relevant rules of Bursa Securities, cancelled or continue to be retained as treasury shares. The decision whether to retain the purchased shares as treasury shares, to cancel the shares purchased, distribute the treasury shares as share dividends and/or re-sell the treasury shares on Bursa Securities will be made by the Board at the appropriate time.

The distribution of treasury shares as share dividends may be applied as a reduction of the retained profits of the Company. The treatment of the purchased shares held as treasury shares, this being to distribute as share dividends or to re-sell on Bursa Securities or both will in turn, depend on the availability of, amongst others, retained profits of the Company.

While the purchased shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number of percentage of shares or of a class of shares in the Company for any purposes including, without limiting the generality of the provision of Section 127 of the Companies Act, 2016, the provision of any laws or requirements of the Constitution of the Company or the Main Market Listing Requirements of Bursa Securities governing substantial shareholding, takeovers, notices, the requisitioning of meetings, quorum for a meeting and the result of a vote on a resolution at a meeting.

The Proposed Shares Buy-Back will be carried out in accordance with the Prevailing Laws at the time of the purchase including compliance with the public shareholding spread as required by the Main Market Listing Requirements of Bursa Securities.

The public shareholding spread of the Company before and after the Proposed Shares Buy-Back as follows:

<table>
<thead>
<tr>
<th>Public shareholding spread</th>
<th>Before the Proposed Shares Buy-Back</th>
<th>After the Proposed Shares Buy-Back</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52.28**¹</td>
<td>58.09**²</td>
</tr>
</tbody>
</table>

Notes:

*¹ As at 28 February 2019
*² Based on the assumption that:

(i) the Proposed Shares Buy-Back involves the aggregate purchase of 9,564,454,510 CIMB Shares (being 10% of issued and paid-up capital of the Company as at 28 February 2019) which are to be retained as treasury shares; and

(ii) the number of CIMB Shares held by the Directors of CIMB, the substantial shareholders of CIMB and person connected to them remain unchanged.

3. RATIONALE FOR THE PROPOSED SHARES BUY-BACK

The Proposed Shares Buy-Back will enable CIMB to utilise its surplus financial resources to buy-back CIMB Shares. The increase in Earnings Per Share, if any, arising from the Proposed Shares Buy-Back is expected to benefit the Shareholders of the Company.

The purchased shares can be held as treasury shares and re-sold on Bursa Securities to realise potential gain without affecting the total issued and paid-up share capital of the Company. The distribution of the treasury shares as share dividends may also serve to reward the Shareholders of the Company.

4. EVALUATION OF THE PROPOSED SHARES BUY-BACK

4.1 Advantages

The potential advantages of the Proposed Shares Buy-Back are as follows:

(i) Allow the Company to take preventive measures against excessive speculation, in particular when the Company’s shares are undervalued;

(ii) Allow the Company more flexibility in fine-tuning its capital structure;

(iii) The resultant reduction of share capital base is expected to improve the Earnings Per Share and may strengthen the net tangible assets of the remaining shares as well as the probability of declaring a higher quantum of dividend in the future;

(iv) To stabilise a downward trend of the market price of the Company’s shares;
(v) Treasury shares can be treated as long-term investments. It makes business sense to invest in our own Company as the Board of Directors is confident with CIMB’s future prospects and performance in the long term; and

(vi) If the treasury shares are distributed as dividend by the Company, it may then serve to reward the Shareholders of the Company.

4.2 Disadvantages

The potential disadvantages of the Proposed Shares Buy-Back are as follows:

(i) The purchases can only be made out of distributable reserves resulting in a reduction of the amount available for distribution as dividends and bonus issues to Shareholders; and

(ii) The purchases of existing shares involve cash outflow from the Company which may otherwise be retained and used for the businesses of the Company.

Nevertheless, the Board of Directors will be mindful of the interests of the Company and its Shareholders in exercising the authority to purchase its own shares.

5. EFFECTS OF THE PROPOSED SHARES BUY-BACK

Assuming that the Company buys back up to 956,445,451 CIMB Shares representing 10% of its issued and paid-up share capital as at 28 February 2019 and such shares purchased are cancelled or alternatively be retained as treasury shares or both, the effects of the Proposed Shares Buy-Back on the share capital, net tangible assets, working capital, earnings and substantial Shareholders’ and Directors’ shareholdings are as set out below:

5.1 Share Capital

In the event that all CIMB Shares purchased are cancelled, the Proposed Shares Buy-Back will result in the issued and paid-up share capital of CIMB as at 28 February 2019 to be reduced from RM9,564,454,510 comprising 9,564,454,510 CIMB Shares to RM8,608,009,059 comprising 8,608,009,059 CIMB Shares. However, it is not expected to have any effect on the issued and paid-up share capital if all CIMB Shares purchased are to be retained as treasury shares.

The effects of the Proposed Shares Buy-Back on the issued and paid up share capital of CIMB are illustrated below:

<table>
<thead>
<tr>
<th>Issued and paid-up share capital (RM)</th>
<th>As Per Audited Financial Statement as at 31 December 2018</th>
<th>As at 28 February 2018</th>
<th>After Share Purchase and Cancellation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9,564,454,510</td>
<td>9,564,454,510</td>
<td>8,608,009,059*¹</td>
</tr>
</tbody>
</table>

Note:

*¹ Assuming up to 10% of the issued and paid-up share capital of CIMB or 956,445,451 CIMB Shares are purchased and cancelled.

5.2 Net Asset and Working Capital

The effects of the Proposed Shares Buy-Back on the net assets per share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

If all CIMB Shares purchased are to be cancelled or retained as treasury shares, the Proposed Shares Buy-Back will reduce the net assets per share when the purchase price exceeds the net assets per share at the relevant point in time. On the contrary, the net assets per share will be increased when the purchase price is less than the net assets per share at the relevant point in time.

The Proposed Shares Buy-Back will reduce the working capital of CIMB, the quantum of which will depend on the amount of financial resources to be utilised for the purchase of CIMB Shares.

5.3 Earnings Per Share

The effects of the Proposed Shares Buy-Back on the Earnings Per Share of CIMB are dependent on the purchase prices of CIMB Shares and the effective funding cost or loss in interest income to CIMB.

5.4 Substantial Shareholders' and Directors' Shareholdings

The effects of the Proposed Shares Buy-Back on the Substantial Shareholders’ and Directors’ shareholdings based on the Register of Substantial Shareholders and the Register of Directors’ Shareholdings respectively as at 28 February 2019 are as follows:

<table>
<thead>
<tr>
<th>Substantial Shareholders</th>
<th>No. of CIMB Shares Held</th>
<th>Before the Proposed Shares Buy-Back*²</th>
<th>After the Proposed Shares Buy-Back*²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct</td>
<td>% Indirect</td>
<td>%</td>
</tr>
<tr>
<td>Khazanah Nasional Berhad</td>
<td>2,563,224,457</td>
<td>26.80</td>
<td>–</td>
</tr>
<tr>
<td>Employees Provident Fund Board</td>
<td>1,311,393,464*³</td>
<td>13.77</td>
<td>–</td>
</tr>
<tr>
<td>Kumpulan Wang Persaraan (Diperbadankan)</td>
<td>599,837,021</td>
<td>6.27</td>
<td>–</td>
</tr>
</tbody>
</table>

Notes:

*¹ Adjusted for the number of treasury shares held as at 28 February 2019.

*² Assuming that 10% of the issued and paid-up capital is purchased and retained as treasury shares.

*³ Includes shares held through nominees.
Statement Accompanying Notice of Annual General Meeting

<table>
<thead>
<tr>
<th>Directors</th>
<th>Before the Proposed Shares Buy-Back**</th>
<th>After the Proposed Shares Buy-Back*²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of CIMB Shares Held</td>
<td>%</td>
</tr>
<tr>
<td>Tengku Dato’ Sri Zafrul Tengku Abdul Aziz</td>
<td>1,327,181</td>
<td>–*³</td>
</tr>
<tr>
<td>Dato' Lee Kok Kwan*⁴</td>
<td>1,355,416*⁴</td>
<td>–*³</td>
</tr>
</tbody>
</table>

Notes:  
*¹ Adjusted for the number of treasury shares held as at 28 February 2019.  
*² Assuming 10% of the issued and paid-up capital is purchased and retained as treasury shares.  
*³ Less than 0.1%.  
*⁴ Includes the shareholdings of his spouse.

Save as disclosed above, none of the Directors, substantial Shareholders, and persons connected to the Directors and/or substantial Shareholders held any CIMB Shares.

6. APPROVAL REQUIRED  
The Proposed Shares Buy-Back is conditional upon the approval of the Shareholders of CIMB at the forthcoming 62nd Annual General Meeting.

7. SHARE PRICES  
The monthly highest and lowest prices per share of CIMB Shares traded on Bursa Securities for the last twelve (12) months from March 2018 to February 2019 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>High (RM)</th>
<th>Low (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>7.30</td>
<td>7.13</td>
</tr>
<tr>
<td>April</td>
<td>7.31</td>
<td>6.90</td>
</tr>
<tr>
<td>May</td>
<td>7.04</td>
<td>5.90</td>
</tr>
<tr>
<td>June</td>
<td>6.34</td>
<td>5.39</td>
</tr>
<tr>
<td>July</td>
<td>5.89</td>
<td>5.30</td>
</tr>
<tr>
<td>August</td>
<td>6.09</td>
<td>5.79</td>
</tr>
<tr>
<td>September</td>
<td>6.23</td>
<td>5.87</td>
</tr>
<tr>
<td>October</td>
<td>6.06</td>
<td>5.58</td>
</tr>
<tr>
<td>November</td>
<td>5.85</td>
<td>5.50</td>
</tr>
<tr>
<td>December</td>
<td>5.90</td>
<td>5.51</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>5.77</td>
<td>5.62</td>
</tr>
<tr>
<td>February</td>
<td>5.88</td>
<td>5.65</td>
</tr>
</tbody>
</table>

Note: Based on the actual share price

8. PURCHASES, RESALE AND CANCELLATION OF TREASURY SHARES MADE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2018  
During the financial year ended 31 December 2018, the Company did not buy back any of its issued share capital from the open market.

9. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS  
None of the Directors, substantial Shareholders and/or persons connected to the Directors or substantial Shareholders of the Company have any interest, direct or indirect in the Proposed Shares Buy-Back or the resale of treasury Shares.

10. MALAYSIAN CODE ON TAKEOVERS AND Mergers 2010 (CODE)  
The Proposed Shares Buy-Back if carried out in full (whether shares are cancelled or treated as treasury shares) may result in a substantial Shareholder and/or parties acting in concert with it incurring a mandatory general offer obligation. In this respect, the Board is mindful of the provision under Practice Note 9 of the Code.

11. STATEMENT BY BURSA SECURITIES  
Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

12. DIRECTORS’ RECOMMENDATION  
After having considered all aspects of the Proposed Shares Buy-Back, your Board is of the opinion that the Proposed Shares Buy-Back is in the best interest of the Company. Accordingly, they recommend that you vote in favour of the ordinary resolution for the Proposed Shares Buy-Back to be tabled at the forthcoming 62nd Annual General Meeting.