

News Release

Maybank Investment Bank Issues 16 New Call Warrants

Kuala Lumpur, 28 January 2016 - Maybank Investment Bank Berhad (“Maybank IB”) is issuing thirteen new European style cash settled call warrants over ordinary shares of AirAsia Berhad (“AIRASIA”), Cathay Pacific Airways Limited (“CATHAY CW”), Hartalega Holdings Berhad (“HARTA”), Jaya Tiasa Holdings Berhad (“JTIASA”), Karex Berhad (“KAREX”), Kossan Rubber Industries Berhad (“KOSSAN”), Supermax Corporation Berhad (“SUPERMX”), and Top Glove Corporation Berhad (“TOPGLOV”), as well as one call and two put warrants over the FTSE Bursa Malaysia KLCI (“FBMKLCI”) (“Structured Warrants”). The Structured Warrants were listed this morning with an issue size of 100 million each.

Trading volume of corporates in the rubber products sector has gone up due to strong earnings driven by strong US Dollar, lower raw material prices, and resilient global demand. The sector will continue to benefit from a strengthening US dollar as sales are denominated in the currency and lower production cost due to the decline in most global commodity prices. Hence, for this issuance, the focus is on gloves and condom manufacturers.

With oil prices easing below USD30 per barrel, airline operators are expected to be one of the key beneficiaries. Maybank IB Research forecasts that the profit margin for Asian airlines will grow 24.7% in 2016 driven by accelerated traffic, margin expansion, decline in operating costs due to low fuel prices, and increasing aircraft utilisation rates. Our local budget airline, AIRASIA and Hong Kong national carrier, CATHAY are featured in this tranche.

This issuance targets sophisticated investors who want leveraged exposure to the underlyings. In addition, investors who have a directional view on the broader Malaysian market in 2016 can also opt to trade the call or put index warrants offered.

The structured warrants have the following gearings, AIRASIA-C30 (4.63x), CATHAY-C1 (6.0x), HARTA-CS (5.04x), HARTA-CT (4.48x), JTIASA-CF (2.83x), KAREX-CN (5.06x), KAREX-CO (3.79x), KOSSAN-CM (4.14x), KOSSAN-CN (4.83x), SUPERMX-C12 (3.82x), SUPERMX-C13 (4.59x), TOPGLOV-C1 (3.86x), TOPGLOV-C2 (4.21x), FBMKLCI-C42 (13.69x), FBMKLCI-H45 (12.17x) and FBMKLCI-H47 (13.69x). The tenure of all the sixteen Structured Warrants is approximately 12 months.

The terms and conditions of the above Structured Warrants are stated in their respective term sheets and investors should read the term sheets together with the Base Prospectus dated 2 October 2015 and the First Supplementary Base Prospectus dated 27 January 2016.

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About Maybank Investment Bank Berhad

Maybank Investment Bank is one of Malaysia's leading investment banks with extensive dealing networks in the country, supported by one of the best research houses. It has been in operation for more than 40 years and has vast experience in undertaking large Initial Public Offerings of both domestic and international firms, executing primary/private placements and share buybacks, and advising on mergers & acquisitions. On the debt financing front, Maybank IB has a proven track record in advising and arranging both Islamic and conventional bond issuance. It also offers financial advisory services, specialising in energy, infrastructure and utilities sectors, as well as policy and strategy advisory services for both public and private sectors. Building up its capability in both equity and commodity solutions, Maybank IB also offers over-the-counter structured products and investment products on exchanges, and futures broking for institutional, corporate and retail investors. Known globally as Maybank Kim Eng, it has presence in 11 countries namely Malaysia, Singapore, Hong Kong, Thailand, Indonesia, Philippines, India, Vietnam, Saudi Arabia, 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 2,400 offices in 19 countries, over 46,000 employees serving more than 22 million customers worldwide.

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