

MAYBANK FINANCIAL INSTITUTIONS INCOME FUND

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN for the convening of a meeting of the unit holders of the **Maybank Financial Institutions Income Fund** (hereinafter referred to as the “**Fund**”) by the manager of the Fund, Maybank Asset Management Sdn Bhd (hereinafter referred to as the “**Manager**”), pursuant to Clause 17.3.1 of the deed dated 5 November 2009 as modified by the first supplemental deed dated 8 October 2012 and the second supplemental deed dated 30 March 2015 (hereinafter referred to as the “**Deed**”).

The meeting will be held at **Boardroom, Level 12, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur** on **Thursday, the 22nd day of August 2024** at **9.30 a.m.** to consider and, if thought appropriate by the unit holders, to pass the following resolutions:

RESOLUTION 1

Conversion of the Fund from a wholesale fund to a retail unit trust fund

That, the Manager be and is hereby authorised to convert the Fund from a wholesale fund to a retail unit trust fund and to offer the units of the Fund to retail investors in Malaysia and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the conversion of the Fund from a wholesale fund to a retail unit trust fund in accordance with the relevant laws, the guidelines and the provisions of the Deed.

RESOLUTION 2

Issuance of new classes of units

That, the Manager be and is hereby authorised to issue new classes of units, Class A and Class B, in relation to the Fund and such other additional classes of units as may be determined by the Manager from time to time and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the issuance of such new classes of units in relation to the Fund in accordance with the relevant laws, the guidelines and the provisions of the Deed.

RESOLUTION 3

Change of distribution policy to allow the Fund to distribute out of its capital

That, the Manager be and is hereby authorised to change the distribution policy of the Fund to allow the Fund to declare distribution out of its capital and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change in the distribution policy of the Fund to allow the Fund to declare distribution out of its capital in accordance with the relevant laws, the guidelines and the provisions of the Deed.

The attention of the unit holders is drawn to the following provisions of the Deed:

Clause 17.4.1:

The quorum required for a meeting of the Unit Holders shall be two (2) Unit Holders, whether present in person or by proxy, PROVIDED ALWAYS that the quorum for a meeting of the Unit Holders convened for the purpose of removing the Manager and/or the Trustee shall be such number of Unit Holders as shall amongst them collectively hold more than seventy-five per centum (75%) of the Units of the Fund as at the date of the notice of the meeting.

Clause 17.4.3:

Every question arising at any Unit Holders' meeting shall be decided in the first instance by a show of hands unless a poll be demanded or if it be a question which under this Deed requires a Special Resolution a poll shall be taken.

Clause 17.4.4:

On a show of hands every Unit Holder who is present in person or by proxy shall have one vote.

Clause 17.4.5:

Upon a poll every Unit Holder present in person or by proxy shall have one vote for every Unit held by him.

Clause 17.4.7:

A poll may be demanded by the Chairman of the meeting, the Trustee, the Manager or by Unit Holders holding (or representing by proxy) between them not less than one-tenth (1/10) of the total number of Units then in issue.

Clause 17.4.12:

Every Unit Holder entitled to attend a meeting and to vote thereat may vote personally or by proxy. The proxy appointed need not be a Unit Holder. Where a Unit Holder is a company, the proxy may be any officer of such company appointed in the manner provided in section 147(3) of the Companies Act 1965 (now known as section 333(1) of the Companies Act 2016). The Manager or the Trustee may accept a certificate under section 147(5) of the Companies Act 1965 (now known as section 333(5) of the Companies Act 2016) as evidence of the proxy's appointment. The proxy may exercise on behalf of the company the same powers as the company could if it were a natural person and the company is to be taken to be a natural person present at the meeting in person.

Clause 17.4.13:

In the case of Jointholders, any one of such Jointholders may vote either personally or by proxy as comprised in the jointholding, but if Jointholders are present at any meeting either personally or by proxy, the Jointholder whose name stands first in the Register shall alone be entitled to vote in respect thereof.

Clause 17.4.18

The instrument appointing a proxy shall be duly stamped, if required, and deposited at the office of the Manager not less than forty-eight (48) hours before the time appointed for the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote.

Clause 17.4.19:

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or the power of attorney or other authority under which the proxy was signed or the sale of Units in respect of which the proxy was given provided that no intimation in writing of such death, insanity, revocation or sale shall have been received at the place so appointed for the deposit of proxies or if no such place is appointed at the registered office of the Manager before the commencement of the meeting or adjourned meeting at which the proxy is used.

Clause 17.4.20:

If within one (1) hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the request of Unit Holders shall be dissolved. In any other case, it shall stand adjourned to such day and time not being less than one (1) month thereafter and to such place as may be appointed by the Manager or Trustee; at such adjourned meeting, the Unit Holders present in person or by proxy shall be the quorum for the transaction of business including the passing of Special Resolutions if the quorum prescribed by this Deed is not present after one (1) hour from the time appointed for the adjourned meeting.

Clause 17.4.21:

At least seven (7) days' notice of any adjourned meeting of Unit Holders shall be given in the same manner as for an original meeting and such notice shall state that the Unit Holders present at the adjourned meeting whatever their number and the number of Units held by them will form a quorum for the adjourned meeting if the quorum prescribed by this Deed is not present after one (1) hour from the time appointed for the adjourned meeting.

Clause 17.4.24

For the avoidance of doubt, only those Unit Holders whose names are duly registered in the Register of Unit Holders as at the date notice of a Unit Holders' meeting is sent out shall be entitled to receive such notice, to attend such meeting and to vote thereat provided always that a Unit Holder who is for any reason whatsoever no longer a Unit Holder as at the date of the meeting shall not be entitled to so attend and to so vote.

Clause 17.4.26:

Resolutions passed at a meeting of Unit Holders bind all Unit Holders whether or not they were present at the meeting at which the resolutions were passed. No objection may be made as to any vote cast unless such objection is made at the meeting.

Clause 17.4.27:

The decision of the Chairman of the meeting on any matter shall be final.

An instrument of proxy is enclosed herewith and should, if used, be deposited at the office of the Manager at **Level 12, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur**, not later than **9.30 a.m. on Tuesday, the 20th day of August 2024**.

The resolution 1, resolution 2 and resolution 3 must be approved by not less than two-thirds (2/3) of all the unit holders present and voting at the meeting. The results of the voting will be declared by the chairman of the meeting or in such manner as the chairman of the meeting may direct.

Please note that an institutional unit trust scheme adviser ("**IUTA**") who holds units in the Fund is the only person recognised as the unit holder. The Manager does not recognise the investors/beneficiaries of the IUTA and the IUTA shall be responsible for managing these investors/beneficiaries.

Dated: 9th day of July 2024

For and on behalf of the Manager,
MAYBANK ASSET MANAGEMENT SDN BHD,



MUHAMMAD HISHAMUDIN HAMZAH

Director/Chief Executive Officer

Encl: Form of Proxy

cc. 1. PB Trustee Services Berhad 2. Securities Commission Malaysia

**THE MANAGER'S EXPLANATORY NOTES IN RESPECT OF THE RESOLUTION
PROPOSED FOR THE UNIT HOLDERS' MEETING TO BE HELD ON THE
22ND DAY OF AUGUST 2024**

1. Resolution 1

- 1.1 The Fund was launched on 17 December 2009 as a wholesale fund where units of the Fund can only be offered to sophisticated investors in Malaysia. The Fund is a fixed income fund and aims to achieve regular income stream which is deriving from the portfolio.
- 1.2 The Manager is proposing to convert the Fund from a wholesale fund to a retail unit trust fund and to offer the units of the Fund to retail investors in Malaysia to increase the assets under management ("AUM") for the Fund. There are fixed costs in operating the Fund which can be shared across more investors, i.e., the management expense ratio of the Fund is expected to reduce when the AUM of the Fund is higher, which may lead to better fund performance when compared to a fund with smaller AUM.
- 1.3 If the resolution is passed, and subject to the authorisation of the Fund by the Securities Commission Malaysia, the following changes will be made to the Fund:

- (a) the asset allocation of the Fund will be amended as follows:

Asset Allocation	Investment Instruments
A minimum of 70% of the Net Asset Value ("NAV") of the Fund	Bonds issued by financial institutions and/or bank guaranteed bonds
A minimum of 5% of the NAV of the Fund	Deposits and money market instruments

- (b) the investment restrictions and limits of the Fund will be amended to be in line with the requirements under the Guidelines on Unit Trust Funds.
- 1.4 A prospectus replacing the information memorandum in relation to the Fund will be submitted to the Securities Commission Malaysia for registration.

2. Resolution 2

- 2.1 Currently, the Fund is not a multi-class fund. The Manager is proposing to establish new classes of units, i.e., Class A and Class B, in relation to the Fund and such other additional classes of units as may be determined by the Manager from time to time.
- 2.2 If the resolution is passed, existing unit holders of the Fund will be designated to Class A. Class B will be offered to institutional investors who are investing directly with us and will not be available to institutional investors who are investing in the Fund through our distributors.

3. Resolution 3

- 3.1. Currently, the Fund intends to distribute income, if any, at least half yearly on best effort basis. However, we reserve the right not to distribute income at our absolute discretion. Distribution of income can only be made from realised gains and realised income.
- 3.2 The Manager is proposing to change the distribution policy of the Fund to allow the Fund to declare distribution out of its capital in addition to realised gains and realised income.
- 3.3. The proposed distribution out of capital would allow the Fund the ability to continuously distribute income on a half yearly basis in accordance with the distribution policy of the Fund. Although the Manager intends to declare distribution from the Fund's realised gains

and realised income, the Manager would like to have the flexibility to also declare distribution out of the Fund's capital when the Class has insufficient realised gains or realised income to do so. This would also allow the Manager the flexibility to increase the amount of distributable income to the unit holders after taking into consideration the risk of distributing out of the Fund's capital.

- 3.4. If the resolution is passed, and if the Fund declares distribution out of its capital, unit holders should be aware that the capital of the Fund will be eroded; the distribution is achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted. The greater the risk of capital erosion that exists, there is likelihood that, due to capital erosion, the value of future returns would also be diminished.
- 3.5. If the Fund were to declare distribution out of its capital after the passing of this resolution, the composition of distribution payments sourced from income and capital will be disclosed in the Fund's semi-annual and annual reports, both in terms of value and percentage in relation to the Fund.

**MAYBANK FINANCIAL INSTITUTIONS INCOME FUND
FORM OF PROXY**

I/We (block letters, please) (NRIC No.:...../ Registration No.:.....) being a unit holder ofunits in the Maybank Financial Institutions Income Fund hereby appoint the chairman of the meeting*/ * (NRIC No.:.....) or failing him/her, the chairman of the meeting, to be my/our proxy to vote for me/us and on my/our behalf at the meeting of unit holders to be held at **Boardroom, Level 12, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur** on **Thursday, the 22nd day of August 2024** at **9.30 a.m.** and at any adjournment thereof. My/our said proxy has my/our instructions to vote as indicated with an "X" or "✓" in respect of the following resolutions set out below:

	RESOLUTIONS	FOR	AGAINST
1.	<p>Conversion of the Fund from a wholesale fund to a retail unit trust fund</p> <p>That, the Manager be and is hereby authorised to convert the Fund from a wholesale fund to a retail unit trust fund and to offer the units of the Fund to retail investors in Malaysia and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the conversion of the Fund from a wholesale fund to a retail unit trust fund in accordance with the relevant laws, the guidelines and the provisions of the Deed.</p>		
2.	<p>Issuance of new classes of units</p> <p>That, the Manager be and is hereby authorised to issue new classes of units, Class A and Class B, in relation to the Fund and such other additional classes of units as may be determined by the Manager from time to time and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the issuance of such new classes of units in relation to the Fund in accordance with the relevant laws, the guidelines and the provisions of the Deed.</p>		
3.	<p>Change of distribution policy to allow the Fund to distribute out of its capital</p> <p>That, the Manager be and is hereby authorised to change the distribution policy of the Fund to allow the Fund to declare distribution out of its capital and that FURTHER the Manager and/or the trustee of the Fund shall be authorised to do all such things necessary to give effect to the change in the distribution policy of the Fund to allow the Fund to declare distribution out of its capital in accordance with the relevant laws, the guidelines and the provisions of the Deed.</p>		

In the absence of any specific instructions, my/our proxy will vote or abstain from voting on the resolutions as he/she thinks fit.

If unit holder is an individual:

SIGNED by the said (unit holder's name) on the day of

.....
(Witness's signature)
Name:

.....
(Signature of unit holder)

If unit holder is a company:

* THE COMMON SEAL of the said was hereto affixed on the day of in accordance with its Constitution in the presence of:

* The company stamp of the said was hereto affixed on the day of

(Authorised signatory's name and signature)	(Authorised signatory's name and signature)	Common Seal / Company Stamp
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* Please delete as appropriate

Notes:

1. This form of proxy must be deposited at the Manager's office at Level 12, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur not later than **9.30 a.m. on Tuesday, the 20th day of August 2024.**
2. In the case of Jointholders, any one of such Jointholders may vote either personally or by proxy as comprised in the jointholding, but if Jointholders are present at any meeting either personally or by proxy, the Jointholder whose name stands first in the register shall alone be entitled to vote in respect thereof.
3. Where a company is a unit holder, the proxy may be any officer of such company appointed in the manner provided in section 333(1) of the Companies Act 2016.