



**FOR IMMEDIATE RELEASE**

**MIDF & AL RAJHI GET GREEN LIGHT TO PROCEED WITH MERGER  
DISCUSSIONS**

**Kuala Lumpur, 10 January 2019** – Malaysian Industrial Development Finance Berhad (MIDF) wishes to announce that it has received a letter from Bank Negara Malaysia (BNM) stating that BNM has no objections for MIDF and its sole shareholder Permodalan Nasional Berhad (PNB) to commence negotiations with Al Rajhi Banking & Investment Corporation, Kingdom of Saudi Arabia (Al Rajhi KSA), on a proposed merger of MIDF Amanah Investment Bank Berhad (MAIB) and Al Rajhi Banking & Investment Corporation (Malaysia) Berhad (ARMB). The negotiations must be completed within three months from the date of the letter issued by BNM.

It should be noted that this should not be construed as implying that a final merger agreement will be reached. If an agreement is achieved, it will be subject to various conditions, including all relevant legal requirements and the approval of all regulatory authorities involved, in both Malaysia and the Kingdom of Saudi Arabia. MIDF will have to obtain prior approval from BNM or the Minister of Finance, with the recommendation of BNM, as the case may be, pursuant to the Islamic Financial Services Act 2013 and the Financial Services Act 2013 before entering into any agreement to effect the proposed merger.

Dato' Charon bin Mokhzani, Group Managing Director of MIDF, said "we are grateful for the approval from BNM to allow us to start negotiations and are pleased with this opportunity to enter into discussions with Al Rajhi Bank. We look forward to having meaningful negotiations which hopefully will lead to a

mutually beneficial outcome which will not only benefit both parties, but also create value for all our stakeholders.”

Further announcements on the proposed merger will be made at the appropriate time as negotiations progress. In the meantime, business will continue as usual.

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#### **About MIDF**

MIDF was established in 1960 as a result of a study by the World Bank. MIDF is the country's premier development finance institution and has played an important role in accelerating the development and modernization of the country's manufacturing industry.

MIDF Group now offers a competitive and diversified range of financial services including Investment Banking, Development Finance and Asset Management.

MIDF is a wholly-owned subsidiary of Permodalan Nasional Berhad.

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