

Guidance Note to the Market

Bank of Maldives Plc (BML) - Bonus Issue and Share Split

1. Introduction

The Maldives Stock Exchange Company Pvt Ltd (MSE) refers to the announcements made by Bank of Maldives Plc (BML), regarding a proposed corporate action, as per BML's public disclosures dated 8th March 2026, comprising:

- **A Bonus Issue** of 2 bonus shares for every 1 share held (2:1); and
- **A Share Split** of 10 shares for every 1 share following the bonus issuance

The proposed corporate action is subject to shareholder approval at the Annual General Meeting (AGM) scheduled for 28th March 2026.

The record date has been declared as 18 March 2026, on a conditional basis, subject to approval of the above resolutions at the AGM.

2. Trading Treatment and Entitlement

MSE notes that the record date precedes the AGM date. In order to facilitate orderly market functioning, the following treatment will apply:

- Trades executed on 17 March 2026 will be on a cum-entitlement basis.
- Trades executed from 18 March 2026 onwards will be treated as ex-entitlement for trading purposes, subject to shareholder approval at the AGM.
- Entitlement to the bonus shares and share split will be determined based on holdings as at 18 March 2026, subject to approval by shareholders.

Accordingly, while the corporate action remains conditional until the AGM, market convention during the period 18 March to 28 March 2026 will reflect trading on an ex-entitlement basis.

In the event that the resolutions are not approved at the AGM, no entitlement shall arise and no adjustment to the reference price will be effected by MSE.

3. Market Price Implications (18 March - 28 March 2026)

During the period from 18 March 2026 to 28 March 2026, trading will take place on a conditional ex-entitlement basis.

Market participants should note the following:

- Investors purchasing shares from 18 March 2026 onwards will not be entitled to the proposed corporate action, subject to AGM approval.
- The market price during this period is expected to reflect ex-entitlement trading conditions, although:
 - The reference price will not yet be formally adjusted
 - Price movements may be constrained by the $\pm 10\%$ trading band
 - There may be temporary volatility or pricing inefficiencies, particularly during the conditional period

Investors are advised to exercise due care and ensure a clear understanding of entitlement status when trading during this period.

4. Continuity of Trading

MSE confirms that trading in BML securities will continue without suspension on 18th March in line with regulatory guidance.

5. Order Book Management

To ensure orderly market transition:

- All outstanding orders in the order book for BML securities will be automatically cancelled at the end of the trading day on 28 March 2026.
- This is to prevent execution of orders based on pre-adjustment price levels following the corporate action.

Market participants will be required to enter fresh orders upon resumption of trading under the adjusted reference price.

This measure is implemented pursuant to MSE's authority to maintain fair and orderly trading conditions under Section 5 of the Stock Exchange Company Licensing Regulation.

6. Adjustment of Reference Price

Subject to shareholder approval at the AGM, MSE will adjust the reference price of BML shares to reflect the combined effect of the bonus issue and share split.

The adjustment will be based on the closing price as at 17 March 2026 (cum-entitlement date).

Adjustment Methodology

- Post bonus: 1 share → 3 shares



- Post split: 3 shares → 30 shares
- Total adjustment factor: 30

Adjusted Reference Price = Closing Price as at 17 March 2026 ÷ 30

Prices observed between 18 March 2026 and 28 March 2026 will not be considered for adjustment purposes, in order to avoid distortion arising from trading during the conditional period.

7. Trading Arrangements on 29 March 2026

In order to facilitate an orderly transition:

- MSE will implement a temporary technical halt of 30 minutes at the opening of trading on 29 March 2026
- During this period:
 - The adjusted reference price will be published
 - Relevant corporate action details and trading parameters will be communicated

Trading will resume thereafter under the adjusted reference price and applicable trading band.

8. Contingency in the Event of Non-Approval

In the event that the proposed resolutions are not approved at the AGM:

- No bonus shares or share split will be effected
- No adjustment to the reference price will be made
- Trading will continue based on prevailing market prices
- MSE will issue a further market notice clarifying the position

9. Investor Guidance

Investors are advised to take note of the following:

- Only shareholders on record as of 18 March 2026 will be eligible for entitlement, subject to AGM approval
- Trade executed after the record date will be treated as ex-entitlement for trading purposes
- Trading during the period 18 March and 28 March 2026 carries an element of conditionality pending shareholder approval
- The official price adjustment by the exchange will take place on 29 March 2026, based on the cum-entitlement price as at 17 March 2026.

10. Disclaimer

This guidance note is issued by the Maldives Stock Exchange for the purpose of facilitating an orderly market and enhancing transparency in trading.

While the proposed corporate action remains subject to shareholder approval, MSE has set out the above framework to ensure clarity in trading arrangements.

Investors are encouraged to conduct their own assessment and seek professional advice where necessary prior to making investment decisions.

