

PRASARANA MALAYSIA BERHAD (COMPANY NO. 467220-U)

PROPOSED ISSUANCE OF ISLAMIC MEDIUM TERM NOTES ("SUKUK MURABAHAH") PURSUANT TO AN ISLAMIC MEDIUM TERM NOTES ISSUANCE PROGRAMME OF RM6.0 BILLION IN NOMINAL VALUE TO BE IRREVOCABLY AND UNCONDITIONALLY GUARANTEED BY THE GOVERNMENT OF MALAYSIA ("SUKUK MURABAHAH PROGRAMME")

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PLEASE FIND ATTACHED AN ELECTRONIC COPY OF THE TERM SHEET DATED 22 NOVEMBER 2017 (THE "TERM SHEET") RELATING TO THE PROPOSED ISSUANCE OF ISLAMIC MEDIUM TERM NOTES ("SUKUK MURABAHAH") PURSUANT TO AN ISLAMIC MEDIUM TERM NOTES ISSUANCE PROGRAMME OF RM6.0 BILLION IN NOMINAL VALUE TO BE IRREVOCABLY AND UNCONDITIONALLY GUARANTEED BY THE GOVERNMENT OF MALAYSIA ("SUKUK MURABAHAH PROGRAMME") BY PRASARANA MALAYSIA BERHAD (THE "ISSUER").

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**BE DEEMED TO HAVE AGREED TO OR BE BOUND BY AS PROVIDED IN THE TERM  
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OF RM6.0 BILLION IN NOMINAL VALUE  
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### JOINT LEAD ARRANGERS



**AmInvestment  
Bank Berhad**  
(Company No.  
23742-V)



**CIMB Investment  
Bank Berhad**  
(Company No.  
18417-M)



**Maybank  
Investment Bank  
Berhad**  
(Company No.  
15938-H)

### JOINT LEAD MANAGERS



**Affin Hwang  
Investment Bank  
Berhad**  
(Company No.  
14389-U)



**AmInvestment  
Bank Berhad**  
(Company No.  
23742-V)



**CIMB Investment  
Bank Berhad**  
(Company No.  
18417-M)



**Kenanga  
Investment Bank  
Berhad**  
(Company No.  
15678-H)



**Maybank  
Investment Bank  
Berhad**  
(Company No.  
15938-H)

THIS TERM SHEET IS DATED 22 NOVEMBER 2017

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**RESPONSIBILITY STATEMENT**

This term sheet is prepared and issued solely by PRASARANA MALAYSIA BERHAD (the “**Issuer**”). The Issuer accepts full responsibility for the accuracy of the information given under this term sheet and confirms that this term sheet does not contain any false or misleading statement or any material omission.

**IMPORTANT NOTICE AND GENERAL STATEMENTS OF DISCLAIMER**

The Issuer has appointed AmInvestment Bank Berhad, CIMB Investment Bank Berhad and Maybank Investment Bank Berhad as the joint lead arrangers (“the “**JLAs**”) and Affin Hwang Investment Bank Berhad, AmInvestment Bank Berhad, CIMB Investment Bank Berhad, Kenanga Investment Bank Berhad and Maybank Investment Bank Berhad as the joint lead managers (the “**JLMs**”) in connection with the Sukuk Murabahah Programme (as defined below). The Issuer has authorised the JLAs/JLMs to distribute this term sheet on its behalf, which is now being provided by the JLAs/JLMs on a confidential basis to potential investors for the sole purpose of providing them with a brief summary of the major terms only of the Islamic medium term notes (“**Sukuk Murabahah**”) pursuant to a Islamic Medium Term Note Issuance Programme of RM6.0 billion in nominal value to be irrevocably and unconditionally guaranteed by the Government of Malaysia (“**Sukuk Murabahah Programme**”) by the Issuer. None of the information contained in this term sheet has been independently verified by the JLAs/JLMs and no representation or warranty, express or implied, is given or assumed by the JLAs/JLMs to or in favour of any potential investors of the Sukuk Murabahah as to the authenticity, origin, validity, accuracy or completeness of such information or that the information remains unchanged in any respect after the relevant date shown in this term sheet. The JLAs/JLMs have not accepted and will not accept any responsibility for the information contained in this term sheet or otherwise in relation to the Sukuk Murabahah and the Sukuk Murabahah Programme and shall not be liable to or in favour of any potential investors of the Sukuk Murabahah for any consequences of reliance on any of the information in this term sheet save to the extent prescribed by law. The JLAs/JLMs do not accept any responsibility or liability to any person in relation to the distribution or possession of this term sheet in or from any jurisdiction. The JLAs/JLMs expressly do not undertake to review the financial condition or affairs of the Issuer or the Government of Malaysia (“**Guarantor**”) during the term of the Sukuk Murabahah Programme or to advise any investor in the Sukuk Murabahah of any information coming to their attention.

This term sheet may not be, in whole or in part, reproduced or used for any other purpose, or shown, given, copied to or filed with any other person including, without limitation, any government or regulatory authority except with the prior consent of the Issuer. No person is authorised to give any information or data or to make any representation or warranty other than as contained in this term sheet and, if given or made, any such information, data, representation or warranty must not be relied upon as having been authorised by the Issuer. This term sheet has not been and will not be made to comply with the laws of any country (including its territories, all jurisdictions within that country and any possession areas subject to its jurisdiction), other than Malaysia (“**Foreign Jurisdiction**”), and has not been and will not be lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any Foreign Jurisdiction and it does not constitute an issue or offer of, or an invitation to subscribe for the Sukuk Murabahah or any other securities of any kind by any party in any Foreign Jurisdiction.

The Islamic transaction structure relating to the Sukuk Murabahah has been approved by AmBank Islamic Berhad (Company No. 295576-U), CIMB Islamic Bank Berhad (Company No. 671380-H) and Maybank Islamic Berhad (Company No. 787435-M) as the joint Shariah advisers for the Sukuk Murabahah Programme. Prospective holders of the Sukuk Murabahah should not rely on such approval in deciding whether to make an investment in the Sukuk Murabahah, nor as the basis for deciding whether each of the structure, the issue and the trading of the Sukuk Murabahah is in compliance with Shariah principles. Prospective holders of the Sukuk Murabahah should obtain their own independent Shariah advice as to compliance with Shariah principles. This term sheet is not and is not intended to

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be an information memorandum or a prospectus or a disclosure document. Unless otherwise specified in this term sheet, the information contained in this term sheet is current as at the date hereof. The distribution or possession of this term sheet in or from certain jurisdictions may be restricted or prohibited by law. Each recipient is required by the Issuer to seek appropriate professional advice regarding, and to observe, any such restriction or prohibition. The Issuer and the JLAs/JLMs do not accept any responsibility or liability to any person in relation to the distribution or possession of this term sheet in or from any jurisdiction. By accepting delivery of this term sheet, each recipient agrees to the information upon which this term sheet is provided to such recipient as set out in this term sheet, and further agrees and confirms that (a) it is lawful for the recipient to subscribe for or purchase the Sukuk Murabahah under all jurisdictions to which the recipient is subject, (b) the recipient has complied with all applicable laws in connection with such subscription or purchase of the Sukuk Murabahah, (c) the Issuer, the JLAs/JLMs and their respective affiliates, directors, officers, employees and professional advisers are not and will not be in breach of the laws of any jurisdiction to which the recipient is subject to as a result of such subscription or purchase of the Sukuk Murabahah, and they shall not have any responsibility or liability in the event that such subscription or purchase of the Sukuk Murabahah is or shall become unlawful, unenforceable, voidable or void, (d) it is aware that the Sukuk Murabahah can only be offered, sold, transferred or otherwise disposed of directly or indirectly in accordance with all applicable laws, (e) it has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Sukuk Murabahah, and is able and is prepared to bear the economic and financial risks of investing in or holding the Sukuk Murabahah, and (f) it is subscribing or accepting the Sukuk Murabahah for its own account. Each recipient is solely responsible for seeking all appropriate expert advice as to the laws of all jurisdictions to which it is subject. This term sheet is not, and should not be construed as, a recommendation by the Issuer, the JLAs/JLMs or any other party to the recipient to subscribe for or purchase the Sukuk Murabahah. This term sheet is not a substitute for, and should not be regarded as, an independent evaluation and analysis and does not purport to be all inclusive. Each recipient should perform and is deemed to have made its own independent investigation and analysis of the Issuer and the Guarantor, the Sukuk Murabahah, the Sukuk Murabahah Programme and all other relevant matters, and each recipient should consult its own professional advisers. All information and statements herein are subject to the detailed provisions of the respective agreements referred to herein and are qualified in their entirety by reference to such documents.

Neither the delivery of this term sheet nor the offering, sale or delivery of any Sukuk Murabahah shall in any circumstance imply that the information contained herein concerning the Issuer or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Sukuk Murabahah or the Sukuk Murabahah Programme is correct as of any time subsequent to the date indicated in the document containing the same. The JLAs/JLMs expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the term of the Sukuk Murabahah Programme or to advise any investor in the Sukuk Murabahah of any information coming to their attention.

**CONFIDENTIALITY**

This term sheet and its contents are strictly confidential and the information herein contained is given to the recipient strictly on the basis that the recipient shall ensure the same remains confidential. Accordingly, this term sheet and its contents, or any information, which is made available to the recipient in connection with any further enquiries, must be held in complete confidence. In the event that there is any contravention of this confidentiality undertaking or there is reasonable likelihood that this confidentiality undertaking may be contravened, the Issuer may, at its discretion, apply for any remedy available to the Issuer whether at law or equity, including without limitation, injunctions. The Issuer is entitled to fully recover from the contravening party all costs, expenses, damages and losses incurred and/or suffered, in this regard. For the avoidance of doubt, it is hereby deemed that this confidentiality undertaking shall be imposed upon the recipient, the recipient's professional advisors, directors, employees and any other persons who may receive this term sheet (or any part of it) from the recipient. The recipient must return this term sheet and all reproductions thereof whether in whole or in part and

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any other information in connection therewith to the JLAs/JLMs promptly upon their request, unless that recipient provides proof of a written undertaking satisfactory to the JLAs/JLMs with respect to destroying these documents as soon as reasonably practicable after the said request from the JLAs/JLMs.

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**PRINCIPAL TERMS AND CONDITIONS OF THE SUKUK MURABAHAH  
PROGRAMME**

- (a) Names of parties involved in the proposed transaction
- (i) Issuer : Prasarana Malaysia Berhad (“**Prasarana**” or the “**Issuer**”)
- (ii) Guarantor : Government of Malaysia (the “**Government**” or “**Guarantor**”)
- (iii) Joint Lead Arrangers (“**JLAS**”) : AmInvestment Bank Berhad (“**AmInvestment**”), CIMB Investment Bank Berhad (“**CIMB**”) and Maybank Investment Bank Berhad (“**Maybank IB**”)
- (iv) Joint Lead Managers/Joint Bookrunners (“**JLMs**”) : Affin Hwang Investment Bank Berhad, AmInvestment, CIMB, Kenanga Investment Bank Berhad and Maybank IB
- (v) Facility Agent : CIMB
- (vi) Sukuk Trustee : AmanahRaya Trustees Berhad
- (vii) Joint Shariah Advisers : AmBank Islamic Berhad, CIMB Islamic Bank Berhad and Maybank Islamic Berhad
- (viii) Monitoring Accountant : KPMG Tax Services Sdn Bhd
- (ix) Legal Counsel for the JLAS/JLMs : Messrs. Adnan Sundra & Low (“**Legal Counsel**”)
- (x) Primary Subscriber(s) and Amount Subscribed : The Primary Subscribers (if any) will be determined prior to the issuance of the relevant Sukuk Murabahah (as defined below).
- (xi) Central Depository & Paying Agent : Bank Negara Malaysia (“**BNM**”)
- (xii) Others
- (1) Commodity Trading Participant (“**CTP**”) : Such CTP as may be designated by the Issuer and acceptable to the JLAS.
- (2) Commodity Seller : Commodities suppliers via Bursa Suq Al-Sila’ or such other supplier(s) as may be designated by the Issuer (as Purchase Agent) and acceptable to the JLAS and the Joint Shariah Advisers.

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The Commodity Seller will act as the seller of Commodities (as defined below) via the CTP.

(3) Commodity Buyer : Bursa Malaysia Islamic Services Sdn Bhd or such other buyer as may be designated by the Issuer and acceptable to the JLAs and the Joint Shariah Advisers.

The Commodity Buyer will act as the buyer of Commodities via the CTP.

(4) Purchase Agent : The Issuer will act as the agent of the Sukukholders (as defined below) to buy the Commodities from the Commodity Seller via the CTP.

(b) Facility Description : An Islamic medium term notes (“**Sukuk Murabahah**”) issuance programme of RM6.0 billion in nominal value to be irrevocably and unconditionally guaranteed by the Government (“**Sukuk Murabahah Programme**”).

Shariah Principle

Murabahah (via Tawarruq arrangement).

Facility Description

The issuance of each tranche of the Sukuk Murabahah shall be effected as follows:

1. The Sukuk Trustee, on behalf of the investors of the Sukuk Murabahah (“**Sukukholders**”), and the Issuer shall enter into an agency agreement (“**Agency Agreement**”), pursuant to which the Issuer is appointed as the agent of the Sukukholders (in such capacity, the “**Purchase Agent**”) for the purchase of Shariah-compliant commodities which would exclude ribawi items in the category of medium of exchange such as currency, gold and silver (“**Commodities**”). The Purchase Agent shall then enter into a sub-agency agreement (“**Sub Agency Agreement**”) to appoint the Facility Agent as a sub agent (in such capacity, the “**Sub Agent**”) to purchase the Commodities.
2. Pursuant to a commodity Murabahah master agreement (“**Commodity Murabahah Master Agreement**”), prior to the date on which the relevant tranche of Sukuk Murabahah is issued,



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the Issuer (as “**Purchaser**”) shall issue a purchase order (“**Purchase Order**”) in relation to the said tranche to the Purchase Agent and the Sub Agent. In the Purchase Order, the Purchaser will request the Purchase Agent and the Sub Agent to purchase the Commodities and shall irrevocably undertake to purchase the Commodities from the Sukukholders via the Sub Agent at the deferred sale price (“**Deferred Sale Price**”).

3. Based on the Purchase Order, the Sub Agent, pursuant to an agreement (“**CTP Purchase Agreement**”) to be entered into between the Sub Agent and the CTP, will appoint the CTP to purchase the Commodities on a spot basis from the Commodity Seller at a purchase price (“**Purchase Price**”) which shall be an amount equivalent to the Sukuk Murabahah proceeds. The Purchase Price shall be in line with the asset pricing requirement stipulated under the Securities Commission Malaysia (“**SC**”)’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (“**LOLA Guidelines**”).
4. The Issuer shall issue the Sukuk Murabahah whereby the proceeds thereof shall be used to pay for the Purchase Price. The Sukuk Murabahah shall evidence, amongst others, the Sukukholders’ ownership of the Commodities and subsequently once the Commodities are sold to the Purchaser, the Sukukholders’ entitlement to receive the Deferred Sale Price which shall be the Purchase Price plus the profit margin payable by the Purchaser.
5. Thereafter, pursuant to a sale and purchase agreement (“**Sale and Purchase Agreement**”), the Sub Agent (acting as agent to the Purchase Agent) shall sell the Commodities to the Purchaser based on the Murabahah principle at the Deferred Sale Price.
6. Upon completion of such purchase, the Purchaser, pursuant to an agreement (“**CTP Sale Agreement**”) to be entered into between the Purchaser and the CTP, shall appoint the CTP to sell the Commodities to the Commodity Buyer on a spot basis for an amount equal to the Purchase

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Price. The CTP Sale Agreement will provide for the CTP (on behalf of the Purchaser) to directly sell the Commodities to the Commodity Buyer upon notice by the Purchaser that the Sale and Purchase Agreement has been completed and executed. Proceeds realised from such sale shall be utilised by the Issuer in accordance with the Details of Utilisation of Proceeds as set out in paragraph (k) below.

7. During the tenure of the Sukuk Murabahah, the Purchaser shall make Periodic Payments (as defined below) on each Periodic Payment Date (as defined below) (in the case of Sukuk Murabahah with Periodic Payments) forming part of the Deferred Sale Price to the Sukukholders and on the date of maturity of the Sukuk Murabahah (“**Maturity Date**”). Upon the declaration of an Event of Default (as defined below), the Purchaser shall pay all amounts then outstanding on the Deferred Sale Price as a final settlement of the same (subject to the Rebate (Ibra’ (as defined below)), where applicable), whereupon the redeemed Sukuk Murabahah shall be cancelled.
8. The Government shall issue an irrevocable and unconditional guarantee (the “**Guarantee**”) in favour of the Sukuk Trustee (for and on behalf of the Sukukholders) whereby the Government will guarantee the proper and punctual payment by Prasarana of the Guaranteed Amounts (as defined below) and will irrevocably and unconditionally undertake as a continuing obligation to the Sukuk Trustee (for and on behalf of the Sukukholders) that if for any reason and at any time and from time to time Prasarana fails to make payment of any monies that become due or payable or expressed to be due or payable by Prasarana in relation to the Sukuk Murabahah Programme, that it will make payment of the same pursuant to the Guarantee.
9. Please refer to the Annexure for the structure diagram of the Sukuk Murabahah.

- (c) Programme Size : The aggregate nominal value of the Sukuk Murabahah outstanding under the Sukuk Murabahah Programme at any point in time shall not exceed RM6.0 billion.

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- (d) Issue Price : The Sukuk Murabahah may be issued at par, at a premium or at a discount and the issue price for each Sukuk Murabahah issuance shall be calculated in accordance with the Operational Procedures for Securities Services issued by Payments Network Malaysia Sdn Bhd (formerly known as Malaysian Electronic Clearing Corporation Sdn Bhd) or its successors-in-title and permitted assigns (“**PayNet**”), as amended or substituted from time to time (“**PayNet Procedures**”).
- The issue price of the relevant Sukuk Murabahah shall be determined prior to each issuance.
- (e) Tenure : Tenure of the Sukuk Murabahah Programme
- Thirty (30) years from the date of the first Sukuk Murabahah issued under the Sukuk Murabahah Programme.
- Tenure of the Sukuk Murabahah
- Each Sukuk Murabahah shall have a tenure of more than one (1) year but not exceeding thirty (30) years provided that the Maturity Date shall not extend beyond the tenure of the Sukuk Murabahah Programme.
- (f) Availability Period : Upon completion of documentation and, unless waived by the JLAs, compliance of all conditions precedent to the satisfaction of the JLAs and ending at 5.00 p.m. in Kuala Lumpur on the final day of the tenure of the Sukuk Murabahah Programme.
- (g) Periodic Payment Rate (%) : To be determined prior to each issuance of the Sukuk Murabahah.
- The “**Periodic Payment**”, payable on any relevant Periodic Payment Date, is calculated at the Periodic Payment Rate on the nominal value of the relevant tranche of the Sukuk Murabahah for the relevant Periodic Payment Period (as defined below) based on the Periodic Distribution Basis (as defined below).
- (h) Periodic Payment Frequency and Periodic Payment Basis : The frequency of the Periodic Payments for each tranche of the Sukuk Murabahah with Periodic Payments shall be on a semi-annual basis or such other periodic payment frequency to be agreed

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between Prasarana and the JLMs prior to each issuance (“**Periodic Payment Period**”) and shall be calculated on an actual/365 days basis (“**Periodic Payment Basis**”).

Not applicable to Sukuk Murabahah without Periodic Payment.

“**Periodic Payment Date**” is the last day of a particular Periodic Payment Period.

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| (i) | Yield-to-Maturity | : | To be determined prior to each issuance of the Sukuk Murabahah.   |
| (j) | Guarantee         | : | An irrevocable and unconditional guarantee by the Government in favour of the Sukuk Trustee (for and on behalf of the Sukukholders) whereby the Government guarantees the proper and punctual payment by Prasarana of the Guaranteed Amounts and irrevocably and unconditionally undertakes, as a continuing obligation to the Sukuk Trustee (for and on behalf of the Sukukholders), that if for any reason and at any time and from time to time Prasarana fails to make payment of the Guaranteed Amounts when due, the Government shall pay the amounts not so paid within thirty (30) business days upon receipt of the written demand delivered by the Sukuk Trustee. |

“**Guaranteed Amounts**” refers to all monies due, owing or payable by Prasarana in relation to the Sukuk Murabahah Programme:

- i. the nominal value of the Sukuk Murabahah (or in the case of Sukuk Murabahah without Periodic Payments, the accreted value of such Sukuk Murabahah); and
- ii. in the case of Sukuk Murabahah with Periodic Payments, any accrued but unpaid Periodic Payments thereon.

Provided that:

- a) the aggregate outstanding nominal value of the Sukuk Murabahah guaranteed by the Guarantor shall not exceed RM6.0 billion at any one time;
- b) any double-counting shall be disregarded; and

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- c) the Guarantee Limit (as defined below) may, at the option of the Guarantor, be reduced accordingly so long as and subject to the Facility Agent’s confirmation that, the outstanding nominal value of the Sukuk Murabahah and the nominal value of any proposed Sukuk Murabahah issuance as notified by the Issuer to the Facility Agent, does not exceed the reduced Guarantee Limit.

**“Guarantee Limit”** means the total sum of up to Ringgit Malaysia Six Billion (RM6,000,000,000.00) only under the Guarantee or the reduced amount as referred to in paragraph (c) above, as the case may be.

For the avoidance of doubt, the Guaranteed Amounts shall not include Compensation (Ta’widh) (as defined below).

- |     |                                    |   |   |
|-----|------------------------------------|---|---|
| (k) | Details of Utilisation of Proceeds | : | The proceeds from the Sukuk Murabahah issued under the Sukuk Murabahah Programme shall be utilised by Prasarana for the following, which shall be Shariah compliant: <ul style="list-style-type: none"><li>(i) capital expenditure;</li><li>(ii) profit payments/financing costs;</li><li>(iii) repayment of short term borrowings; and</li><li>(iv) operational expenses.</li></ul>  |
| (l) | Rating                             | : | The Sukuk Murabahah Programme and the Sukuk Murabahah issued under the Sukuk Murabahah Programme will not be rated.   |
| (m) | Form and Denomination              | : | The Sukuk Murabahah shall be issued in accordance with: (1) the Participation and Operation Rules for Payment and Securities Services issued by PayNet ( <b>“PayNet Rules”</b> ); and (2) the PayNet Procedures, or their replacement thereof (collectively the <b>“PayNet Rules and Procedures”</b> ) and/or such other rules and procedures issued by the relevant regulatory authorities as may be applicable from time to time. |

Each tranche of the Sukuk Murabahah shall be represented by a global certificate in bearer form to be deposited with BNM, and is exchanged for definitive bearer form only in certain limited circumstances. The denomination of the Sukuk

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Murabahah shall be RM1,000,000 and the Sukuk Murabahah shall be issued in multiples of RM1,000,000 at the time of issuance.

- (n) Status of the Sukuk Murabahah : The Sukuk Murabahah shall constitute direct, unconditional, unsecured and unsubordinated obligations of Prasarana and shall at all times rank pari passu, without discrimination, preference or priority amongst themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of Prasarana, subject to those preferred by law and the Transaction Documents (as defined below).
- (o) Status of the Guarantee : The liabilities of the Guarantor under the Guarantee shall rank at least equally and rateably pari passu with all its other unsecured liabilities, both actual and contingent (except liabilities which are subject to liens or rights of set-off wherein the aggregate amount of which is not material).
- (p) Mode of Issue : The Sukuk Murabahah may be issued through any of the following modes:
- (i) via book running on a best efforts basis;
  - (ii) via direct placement on a best efforts basis; or
  - (iii) via bought deal basis.
- (q) Listing Status : The Sukuk Murabahah may be listed on Bursa Malaysia Securities Berhad under the Exempt Regime.
- (r) Identified Assets : Shariah-compliant commodities available at Bursa Suq al-Sila’ as approved by its Shariah adviser or such other supplier(s) as may be designated by the Issuer (as the Purchase Agent) and acceptable to the JLAs and the Joint Shariah Advisers (excluding ribawi items in the category of medium of exchange such as currency, gold and silver) which will be further endorsed by the Joint Shariah Advisers.
- (s) Conditions Precedent : Including but not limited to the following, in form and substance acceptable to the JLAs:

**A. Main Documentation**

- (a) All relevant Transaction Documents (including the Guarantee) with respect to the Sukuk

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Murabahah Programme shall have been executed and endorsed as exempted from stamp duty; and

- (b) The delivery of the certified true copy of the list of authorised signatories of Prasarana and their specimen signatures, duly certified by any of its directors.

**B. Issuer**

- (a) A resolution from the Board of Directors of Prasarana approving amongst others, the establishment of the Sukuk Murabahah Programme and the issuance of the Sukuk Murabahah and the execution of the Transaction Documents for the Sukuk Murabahah Programme;
- (b) Certified true copies of the Certificate of Incorporation, the Constitution, the latest Return for Allotment of Shares, Notification of Change in the Registered Address and Notification of Change in the Register of Directors, Managers and Secretaries issued pursuant to the Companies Act 2016 (“**Companies Act**”), if any;
- (c) A report of the relevant company search of the Issuer; and
- (d) A report of the relevant winding up search or the relevant statutory declaration of the Issuer.

**C. General**

- (a) The relevant approvals and orders required from the Government and/or Minister of Finance (including under the Loans Guarantee (Bodies Corporate) Act 1965 including Section 6 and in respect of the relevant tax and stamp duty remissions), where applicable, and any other regulatory authorities as advised by the Legal Counsel as required for purposes of the Sukuk Murabahah Programme have been obtained;
- (b) The relevant consents required from the existing financiers of Prasarana have been obtained;

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- (c) The JLAs have received from the Legal Counsel a legal opinion addressed to the JLAs and the Sukuk Trustee (for and on behalf of the Sukukholders) advising with respect to, among others, the legality, validity and enforceability of the Transaction Documents and a confirmation addressed to the JLAs that all the conditions precedents have been fulfilled;
- (d) Evidence of confirmation from the Joint Shariah Advisers that the structure, mechanism and the Transaction Documents of the Sukuk Murabahah Programme are in compliance with Shariah; and
- (e) Evidence satisfactory to the JLAs that all relevant transaction fees, costs and expenses in relation to the Sukuk Murabahah Programme have been or will be paid in full.

Additional conditions for each issuance of Sukuk Murabahah under the Sukuk Murabahah Programme shall include but not limited to the following:

The JLAs shall have received satisfactory confirmation from the Facility Agent and the Issuer that (i) the combined aggregate of the outstanding nominal value of the Sukuk Murabahah; and (ii) the nominal value of any proposed Sukuk Murabahah issuance as notified by the Issuer to the Facility Agent, does not exceed the Guarantee Limit.

- |     |  |   |   |
|-----|--|---|---|
| (t) | Representations and Warranties of the Issuer | : | The representations and warranties of the Issuer shall include but not limited to the following:  |
|     |  |   | <ul style="list-style-type: none"><li>1. The Issuer is a body corporate under the Loans Guarantee (Bodies Corporate) Act 1965 and a company duly established and existing under the Companies Act and has full power and authority to carry on its business and to own its property and assets, and has full legal and beneficial ownership of all its assets and has complied with all legal requirements relative to its business;</li><li>2. The Issuer has the power and authority to enter into, exercise its rights under and perform its obligations under the Transaction Documents to which it is a party and all necessary corporate action has been taken to authorise the Issuer to exercise its right and to perform its obligations</li></ul> |



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under the Transaction Documents to which it is a party to;

3. All necessary authorisations, licences, and consents required for the performance of the Issuer under the Transaction Documents to which it is a party to have been obtained, renewed, fulfilled and remain in full force and effect to ensure the legality, validity or enforceability of the Transaction Documents to which it is a party in accordance with their terms in Malaysia;
4. No registration and no payment of any duty or other action whatsoever is necessary to ensure the validity, enforceability or admissibility of the Transaction Documents as evidence in Malaysia;
5. The Issuer’s entry into, exercise of its rights and the performance of its obligations under the Transaction Documents to which it is a party to, do not and will not violate any law or agreement to which it is a party;
6. No litigation or arbitration is current or, to the Issuer’s knowledge, is threatened, which if adversely determined may have a Material Adverse Effect (as defined below);

For the purposes of this Term Sheet, “**Material Adverse Effect**” means any material adverse effect on:

- (i) the financial condition of the Issuer;
  - (ii) the ability of the Issuer to perform any of its obligations under any of the Transaction Documents to which it is a party; and/or
  - (iii) the validity or enforceability of any of the Transaction Documents (including the Guarantee) or the right of remedies of the Sukuk Trustee and/or the Sukukholders thereunder.
7. It is subject to civil and commercial law with respect to its obligations under the Transaction Documents to which it is a party to, the transactions contemplated by the Transaction Documents to which it is a party to constitute private and commercial acts done for private and

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commercial purposes and it is not entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (which may include, without limitation, suits, attachment prior to judgment, execution or other enforcement in Malaysia);

8. Each of the Transaction Documents to which it is a party to is or will, when executed and/or issued, be in full force and effect and constitutes, or will when executed or issued, constitutes its valid and legally binding obligations enforceable in accordance with its terms;
9. The Sukuk Murabahah constitute direct, unconditional, unsecured and unsubordinated obligations of Prasarana and shall at all times rank pari passu without discrimination, preference or priority among themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of Prasarana, subject to the provisions of the Transaction Documents and those preferred by law;
10. Its audited financial statements have been or will be prepared in accordance with approved accounting standards in Malaysia and together with the notes thereto present a true and fair view of the results of its operations for that year and the state of its affairs at that date and have been prepared, examined, reported on and approved in accordance with all procedures required by the laws of Malaysia and audited and certified by qualified auditors;
11. No step or action is or has been taken for the winding-up, liquidation or dissolution of the Issuer (including, without limitation, the presentation of a petition for the bankruptcy of or winding-up against the Issuer or the making of any order or the passing of any resolution for the winding-up, liquidation or dissolution of the Issuer);
12. The information furnished in writing by the Issuer or on its behalf and with the knowledge of the Issuer, in connection with the Sukuk Murabahah Programme and the Transaction Documents, to which it is a party to, do not contain any false or

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misleading statement or any material omission and any opinions contained therein were honestly made on reasonable grounds after its due and careful enquiry by the Issuer; and

13. No Event of Default has occurred and is continuing.

(u) Events of Default : The Events of Default shall include but not limited to the following:

1. Prasarana fails to pay any amount due in respect of any of the Sukuk Murabahah and/or Transaction Documents;
2. Any representation or warranty made or given by Prasarana under the Transaction Documents or which is contained in any certificate, document or statement furnished at any time pursuant to the terms of the Sukuk Murabahah Programme and/or any of the Transaction Documents proves to have been incorrect or misleading in any material respect on or as of the date made or given or deemed made or given;
3. Any representation or warranty made or given by the Guarantor under the Guarantee proves to have been incorrect or misleading in any material respect on or as of the date made or given or deemed made or deemed given;
4. Prasarana fails to observe or perform its obligations under any of the Transaction Documents or the Sukuk Murabahah Programme or under any undertaking or arrangement entered into in connection therewith other than an obligation of the type referred to in paragraph 1 above of this section, and such failure shall continue for a period of thirty (30) days or more after having been notified of the same by the Sukuk Trustee;
5. Any consent, authorisation, licence, approval or registration with or declaration to governmental or public bodies or authorities or courts required by Prasarana to authorise or required by Prasarana in connection with the execution, issue, delivery, validity, legality, enforceability or admissibility in evidence of any of the Transaction Documents or

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the performance by Prasarana of its obligations under any of the Transaction Documents is not approved or is revoked or expired or is not renewed or otherwise ceases to be in full force and effect, unless in respect of the foregoing, such non-approval, revocation, expiration, or non-renewal will not have a Material Adverse Effect;

6. Any step or action is taken for the winding-up, liquidation or dissolution of the Issuer (including, without limitation, the presentation of a petition for winding-up against the Issuer or the making of any order or the passing of any resolution for the winding-up, liquidation or dissolution of the Issuer), unless such petition, order or resolution has been dismissed, struck out, set aside, stayed or revoked (as the case may be) within sixty (60) days of the petition being presented, order being served on the Issuer or the date of passing of the resolution (as the case may be);
7. A receiver, receiver and manager or similar officer takes possession of or is appointed in respect of any part of the business or assets of Prasarana, or distress, legal process, sequestration or any form of execution is levied or enforced or sued out against Prasarana which may have a Material Adverse Effect and no proceedings are initiated in court by Prasarana within thirty (30) days of receipt of notice, or any security interest which may for the time being affect any of its assets becomes enforceable;
8. Prasarana changes the nature or scope of a substantial part of its business, or suspends or ceases the operation of a substantial part of its business which it now conducts directly or indirectly and such change or suspension or cessation has a Material Adverse Effect;
9. Any of the assets, undertakings, rights or revenue of the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body which has a Material Adverse Effect;
10. Prasarana fails to satisfy judgment(s) passed against it by any court in Malaysia, and such failure may result in a Material Adverse Effect on

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the Issuer, and no appeal against such judgment or no application for a stay of execution has been made to any appropriate appellate court within the time prescribed by law or such appeal or application for a stay of execution has been dismissed and in the case of any judgement obtained in default of appearance, no application has been made to set such judgement aside within thirty (30) days of Prasarana becoming aware of such judgement;

11. At any time any of the provisions of the Transaction Documents relating to the payment obligations of the Issuer and/or the Guarantor is or becomes invalid, illegal, void, voidable or unenforceable;
12. Prasarana or the Guarantor repudiates any of the Transaction Documents to which it is a party or Prasarana or the Guarantor does or causes to be done any act or take any steps to repudiate any of the Transaction Documents to which it is a party; and
13. The Asset Ownership, Management and Maintenance Agreement dated 9 November 2005 entered into between the Government and Prasarana is terminated.

On the occurrence of any of the events above, the Sukuk Trustee shall, if directed to do so by a special resolution of the Sukukholders, declare that an Event of Default has occurred in respect of the Sukuk Murabahah Programme, whereupon the Sukuk Trustee shall enforce its rights under the Transaction Documents including the Guarantee.

(v) Covenants : The covenants of the Issuer are as follows:

1. Prasarana shall maintain in full force and effect, and promptly deliver certified true copies or procure the delivery of certified true copies to the Sukuk Trustee upon demand, all relevant authorisations, consents, rights, licences, approvals and permits (governmental and otherwise) and will promptly obtain any further authorisations, consents, rights, licences, approvals and permits (governmental and otherwise) which is or may become necessary for

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Prasarana to enter into or perform its obligations under the Transaction Documents or to ensure the validity, enforceability, admissibility in evidence of the obligations of Prasarana or rights of the Sukukholders under the Transaction Documents and Prasarana shall comply with the same;

2. Prasarana shall carry out its business and affairs in a proper and efficient manner;
3. Prasarana shall utilise the proceeds from the Sukuk Murabahah in accordance with the purposes as set out herein;
4. Prasarana shall execute all such further documents and do all such further acts as the Sukuk Trustee (acting on instructions of the Sukukholders) may reasonably consider necessary or expedient at any time or times to give effect to the terms and conditions of the Transaction Documents;
5. Prasarana shall promptly perform and carry out all its obligations under all the Transaction Documents to which it is a party to (including but not limited to redeeming the Sukuk Murabahah on the relevant Maturity Date(s) or any other date on which the Sukuk Murabahah are due and payable) and ensure that it shall immediately notify the Sukuk Trustee in the event that Prasarana is unable to fulfill or comply with any of the provisions of the Transaction Documents to which it is a party to;
6. Prasarana shall prepare its financial statements on a basis consistently applied in accordance with approved accounting standards in Malaysia and those financial statements shall give a true and fair view of the results of the operations of the Issuer for the period to which the financial statements are made up and shall disclose or provide against all liabilities (actual or contingent) of the Issuer;
7. Prasarana shall promptly comply with the Companies Act and all applicable laws relating to the entry into and performance by the Issuer of its obligations under the Transaction Documents to which it is a party;

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8. Prasarana will instruct its auditors to disclose to the Sukuk Trustee (for and on behalf of Sukukholders) such information as the Sukuk Trustee may reasonably require in connection with any calculation or matter arising under the Transaction Documents or as the Sukuk Trustee may reasonably require for the purpose of performing its duties and exercising its powers;
9. Prasarana shall deliver to the Sukuk Trustee as soon as they become available copies of its financial statements for that year or if applicable, its consolidated financial statements for that year, which shall contain the income statements and balance sheets of the Issuer and which are audited and certified without qualification by a firm of independent certified public accountants acceptable to the Sukukholders (acting through the Sukuk Trustee);
10. Prasarana shall promptly notify the Sukuk Trustee of any change in circumstances which may have a Material Adverse Effect on Prasarana;
11. Prasarana shall promptly notify the Sukuk Trustee of any litigation or other proceedings against Prasarana before any court which may have a Material Adverse Effect;
12. Prasarana shall promptly give notice to the Sukuk Trustee of the occurrence of any Event of Default forthwith upon becoming aware thereof, and it shall take all reasonable steps and/or such other steps as may reasonably be requested by the Sukuk Trustee (acting on instructions from Sukukholders) to remedy and/or mitigate the effect of the Event of Default;
13. Prasarana shall promptly give to the Sukuk Trustee (for and on behalf of the Sukukholders) such financial information relating to Prasarana's business and its operations as the Sukuk Trustee may reasonably require for the performance of its duties and the exercise of its powers to the extent permitted under the law;
14. Prasarana shall ensure that it keeps insured adequately all of its property and assets

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wheresoever situated, which are of an insurable nature against loss or damage by fire storm, tempest, flood and such other risks as a prudent company carrying on similar business would insure against (having regard to the availability and cost of such Takaful/insurance in Malaysia) with an Takaful/insurance company licensed to conduct Takaful/insurance business in Malaysia and the Issuer will duly pay or procure to be duly paid contributions/premium or other sums payable in respect of such Takaful/insurance and on demand produce to the Sukuk Trustee the receipt of the last contributions/premium payable thereunder and if required every contract/policy of such Takaful/insurance;

15. Prasarana shall not take steps to wind-up, liquidate or dissolve itself;

16. Prasarana shall not declare or pay any dividends or make any distribution whether income or capital in nature if:

(i) an Event of Default has occurred, is continuing and has not been remedied or waived; or

(ii) any payments under the arrangements pertaining to the Sukuk Murabahah Programme is overdue and unpaid or if any of the payments under the arrangements pertaining to the Sukuk Murabahah Programme which has become payable has not been paid as a consequence of default by Prasarana.

(w) Other terms and conditions of the issue

(i) Transferability : The Sukuk Murabahah are transferable.

(ii) Selling Restrictions : The Sukuk Murabahah are tradable subject to the following restrictions:

Selling Restrictions at issuance

The Sukuk Murabahah may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person whom an offer or invitation to subscribe for the Sukuk Murabahah and to whom the



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Sukuk Murabahah are issued would fall within Part 1 of Schedule 6 (or Section 229(1)(b)), Part 1 of Schedule 7 (or Section 230(1)(b)) and Schedule 8 (or Section 257 (3)) of the Capital Markets & Services Act 2007 as amended from time to time (“**CMSA**”), read together with Schedule 9 (or Section 257(3)) of the CMSA.

Selling Restrictions thereafter

The Sukuk Murabahah may only be offered, sold, transferred or otherwise disposed directly or indirectly to a person whom an offer or invitation to purchase the Sukuk Murabahah would fall within Part 1 of Schedule 6 (or Section 229(1)(b)) of the CMSA and Schedule 8 (or Section 257 (3)) of the CMSA, read together with Schedule 9 (or Section 257(3)) of the CMSA.

- |       |                           |   |   |
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| (iii) | Redemption                | : | Unless previously redeemed, purchased or cancelled, all outstanding Sukuk Murabahah will be redeemed by the Issuer at 100% of their nominal value on their respective Maturity Dates.   |
| (iv)  | Purchase and Cancellation | : | The Issuer may at any time purchase the Sukuk Murabahah at any price in the open market or by private treaty, but these purchased Sukuk Murabahah shall be cancelled and cannot be reissued.  |
| (v)   | Transaction Documents     | : | <ul style="list-style-type: none"><li>(a) Programme Agreement;</li><li>(b) Trust Deed;</li><li>(c) Guarantee;</li><li>(d) Securities Lodgement Form;</li><li>(e) Subscription Agreement;</li><li>(f) Sukuk Murabahah;</li><li>(g) Agency Agreement;</li><li>(h) Sub Agency Agreement;</li><li>(i) Commodity Murabahah Master Agreement;</li><li>(j) Purchase Order;</li><li>(k) CTP Purchase Agreement;</li><li>(l) CTP Sale Agreement;</li><li>(m) Sale and Purchase Agreement; and</li><li>(n) Any other relevant agreements agreed between the parties that may be required in connection with the Sukuk Murabahah Programme as advised by the Legal Counsel and agreed by the Issuer.</li></ul> |
| (vi)  | Clear Market              | : | For the first issuance of the Sukuk Murabahah, from the date of the provision of a formal offer by the JLMs to thirty (30) days or such shorter period as may be agreed with the JLMs after the first issuance of the   |

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RM6.0 BILLION IN NOMINAL VALUE TO BE IRREVOCABLY AND UNCONDITIONALLY  
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Sukuk Murabahah, and for subsequent issuances of the Sukuk Murabahah, from thirty (30) days before the relevant issue date to thirty (30) days after the relevant issue date, the Issuer shall ensure that no other borrowings/financing, debt instruments or securities issued and/or guaranteed by itself or any of its subsidiaries and associated companies are mandated, syndicated or privately placed which may, in the opinion of the JLMs, have the effect of prejudicing the successful completion of this transaction.

(vii) Adverse Market : For the first issuance of the Sukuk Murabahah, from the date of the provision of a formal offer by the JLMs and until the first issue date of the Sukuk Murabahah, and for subsequent issuances of the Sukuk Murabahah, prior to the respective issue dates, the JLMs retain the right to amend, withdraw and/or terminate the offer if there occurs any event or circumstance which, in the opinion of the JLMs may materially and adversely affect any of the international and domestic money, capital or syndicated loan markets, the Issuer's business activities; and/or the social, political, financial and economic situation in Malaysia.

(viii) Taxation : All payments by the Issuer or the Guarantor shall be made without withholding or deductions for or on account of any present or future taxes, duties or charges of whatsoever nature imposed or levied by or on behalf of Malaysia or any other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which event the Issuer or the Guarantor, as the case may be shall be required to make such additional amount so that the payee would receive the full amount which the payee would have received if no such withholding or deductions are made.

Provided that no such additional amount shall be payable in respect of any Sukuk Murabahah presented for payment:

- (1) by or on behalf of a payee who is liable to such taxes, duties, assessments or governmental charges in respect of such Sukuk Murabahah by reason of it being a non-resident of Malaysia for tax purposes; or
- (2) by or on behalf of a payee who would not be liable or subject to such withholding or deduction by

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making declaration of residence in Malaysia or other similar claim for exemption to the relevant tax authority; or

- (3) more than thirty (30) days after the Relevant Date (as defined below), unless the payee is entitled to such additional amount upon presentation of such Sukuk Murabahah for payment on the last day of such period of thirty (30) days.

For the avoidance of doubt, paragraph (3) shall not apply to such payee falling under paragraphs (1) or (2) above.

“**Relevant Date**” shall mean the date on which the payment first become due but, if the full amount of the money payable has not been received by the Facility Agent on or before the due date, it shall mean the date on which the full payment of money having been so received.

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|-----------------------------|---|--|
| (ix) Compensation (Ta'widh) | : | In the event of any delays in payment of any amounts due and payable to Sukukholders, Prasarana shall pay the compensation (Ta'widh) on such overdue amounts at the rate and manner prescribed by SC's Shariah Advisory Council from time to time. |
| (x) Rebate (Ibra')          | : | The Sukukholders in subscribing or purchasing the Sukuk Murabahah, consent to grant a Rebate (Ibra') (as defined below) to Prasarana.  |

The “**Rebate (Ibra')**” shall be calculated as follows:

- (i) in the case of Sukuk Murabahah with Periodic Payments and issued at a discount
- the aggregate of the unearned Periodic Payments and the unearned discounted amount
- (ii) in the case of Sukuk Murabahah without Periodic Payments and issued at a discount
- the unearned discounted amount
- (iii) in the case of Sukuk Murabahah with Periodic Payments and issued at par
- the unearned Periodic Payments

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The Rebate (Ibra’) in relation to (i), (ii) and (iii) above shall be calculated from the date of the declaration of an Event of Default up to the Maturity Date of the Sukuk Murabahah.

(iv) in the case of Sukuk Murabahah with Periodic Payments issued at a premium

the aggregate of the unearned Periodic Payments from the date of the declaration of an Event of Default up to the Maturity Date of the Sukuk Murabahah and the premium amount.

The Issuer shall pay the Dissolution Amount (as defined below) on the date of the declaration of an Event of Default as determined by the Sukuk Trustee pursuant to its obligation to pay the Deferred Sale Price, which shall be calculated in accordance with the formula below.

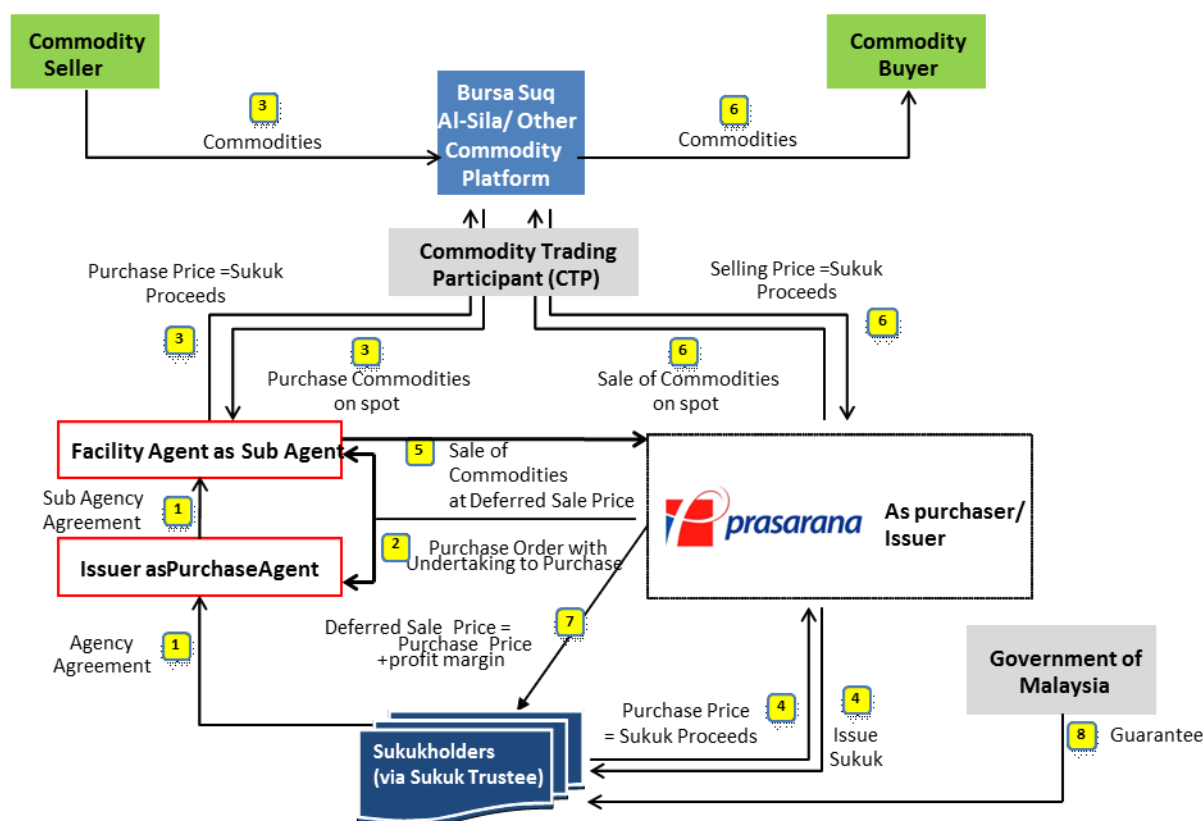
**“Dissolution Amount”** is the amount equivalent to the Deferred Sale Price determined at the issue date less the aggregate of Periodic Payments and nominal value paid (if any) prior to the declaration of an Event of Default less the Rebate (Ibra’) (if any).

- |                      |   |   |
|----------------------|---|---|
| (xi) Other Expenses  | : | All costs, charges and expenses including legal, trustee, facility agent and other professional fees, stamp duties (if any), penalties and BNM fees, and other incidental costs, charges and expenses payable under the Transaction Documents shall be borne by Prasarana, even if the Sukuk Murabahah Programme or Sukuk Murabahah, as the case may be, is subsequently aborted for any reason whatsoever. |
| (xii) Governing Laws | : | Laws of Malaysia.   |

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**Annexure 1**



- Step 1** The Sukuk Trustee, on behalf of the investors of the Sukuk Murabahah (“**Sukukholders**”), and the Issuer shall enter into an agency agreement (“**Agency Agreement**”), pursuant to which the Issuer is appointed as the agent of the Sukukholders (in such capacity, the “**Purchase Agent**”) for the purchase of Shariah-compliant commodities which would exclude ribawi items in the category of medium of exchange such as currency, gold and silver (“**Commodities**”). The Purchase Agent shall then enter into a sub agency agreement (“**Sub Agency Agreement**”) to appoint the Facility Agent as a sub agent (in such capacity, the “**Sub Agent**”) to purchase the Commodities.
- Step 2** Pursuant to a commodity Murabahah master agreement (“**Commodity Murabahah Master Agreement**”), prior to the date on which the relevant tranche of Sukuk Murabahah is issued, the Issuer (as “**Purchaser**”) shall issue a purchase order (“**Purchase Order**”) in relation to the said tranche to the Purchase Agent and the Sub Agent. In the Purchase Order, the Purchaser will request the Purchase Agent and the Sub Agent to purchase the Commodities and shall irrevocably undertake to purchase the Commodities from the Sukukholders via the Sub Agent at the deferred sale price (“**Deferred Sale Price**”).

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- Step 3      Based on the Purchase Order, the Sub Agent pursuant to an agreement (“**CTP Purchase Agreement**”) to be entered into between the Sub Agent and the Commodity Trading Participant (“**CTP**”), will appoint the CTP to purchase the Commodities on a spot basis from the Commodity Seller at a purchase price (“**Purchase Price**”) which shall be an amount equivalent to the Sukuk Murabahah proceeds. The Purchase Price shall be in line with the asset pricing requirement stipulated under the LOLA Guidelines.
- Step 4      The Issuer shall issue the Sukuk Murabahah whereby the proceeds thereof shall be used to pay for the Purchase Price. The Sukuk Murabahah shall evidence, amongst others, the Sukukholders’ ownership of the Commodities and subsequently once the Commodities are sold to the Purchaser, the Sukukholders’ entitlement to receive the Deferred Sale Price which shall be the Purchase Price plus the profit margin payable by the Purchaser.
- Step 5      Thereafter, pursuant to a sale and purchase agreement (“**Sale and Purchase Agreement**”), the Sub Agent (acting as agent to the Purchase Agent) shall sell the Commodities to the Purchaser based on the Murabahah principle at the Deferred Sale Price.
- Step 6      Upon completion of such purchase, the Purchaser pursuant to an agreement (“**CTP Sale Agreement**”) to be entered into between the Purchaser and the CTP shall appoint the CTP to sell the Commodities to the Commodity Buyer on a spot basis for an amount equal to the Purchase Price. The CTP Sale Agreement will provide for the CTP (on behalf of the Purchaser) to directly sell the Commodities to the Commodity Buyer upon notice by the Purchaser that the Sale and Purchase Agreement has been completed and executed. Proceeds realised from such sale shall be utilised by the Issuer in accordance with the Details of Utilisation of Proceeds as set out in paragraph (k) of the Term Sheet.
- Step 7      During the tenure of the Sukuk Murabahah, the Purchaser shall make Periodic Payments on each Periodic Payment Date (in the case of Sukuk Murabahah with Periodic Payments) forming part of the Deferred Sale Price to the Sukukholders and on the date of maturity of the Sukuk Murabahah (“**Maturity Date**”). Upon the declaration of an Event of Default, the Purchaser shall pay all amounts then outstanding on the Deferred Sale Price as a final settlement of the same (subject to the Rebate (Ibra’), where applicable) whereupon the redeemed Sukuk Murabahah shall be cancelled.
- Step 8      The Government shall issue an irrevocable and unconditional guarantee (the “**Guarantee**”) in favour of the Sukuk Trustee (for and on behalf of the Sukukholders) whereby the Government will guarantee the proper and punctual payment by Prasarana of the Guaranteed Amounts and will irrevocably and unconditionally undertake as a continuing obligation to the Sukuk Trustee (for and on behalf of the Sukukholders) that if for any reason and at any time and from time to time Prasarana fails to make payment of any monies that become due or payable or expressed to be due or payable by

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Prasarana in relation to the Sukuk Murabahah Programme, that it will make payment of the same pursuant to the Guarantee.