

Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

(A) CORPORATE INFORMATION OF ISSUER

- (1) Name : Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)
- (2) Address : Registered Address:
No. 60, Setia Avenue,
No. 2, Jalan Setia Prima S U13/S,
Setia Alam, Seksyen U13,
40170 Shah Alam,
Selangor Darul Ehsan.
- (3) Date of incorporation: 8 April 2014
- (4) Place of incorporation : Malaysia
- (5) Business registration number: 201401011942 (1088019-D)
- (6) Residence status : Resident Controlled Company
- (7) Place of listing : Not Listed
- (8) Date of listing : Not Listed
- (9) Principal activities : Issuer of notes under the Islamic medium term note programme
- (10) Issued and paid-up share capital : Issued and paid-up share capital as at 15 February 2021 is as follows:
RM2.00 comprising 2 ordinary shares.
- (11) Structure of shareholdings and names of shareholders or, in the case of a public company, names of

Name of Substantial Shareholders	No. of ordinary shares (Direct)	% (Direct)	No. of ordinary shares (Indirect)	% (Indirect)
Eco World Development Group Berhad (" EWDG ")	2	100	-	-

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

all substantial shareholders

Sinarmas Harta Sdn Bhd ("SHSB")(1)	-	-	2	100
Syabas Tropikal Sdn Bhd ("STSB")(2)	-	-	2	100
Dato' Leong Kok Wah(3)	-	-	2	100

Notes:

1. Deemed interest by virtue of its interest in EWDG pursuant to Section 8 of the Companies Act 2016 ("CA 2016").
2. Deemed interest by virtue of its interest in SHSB pursuant to Section 8 of the CA 2016.
3. Deemed interest by virtue of his interest in STSB pursuant to Section 8 of the CA 2016.

(12) Board of directors :

No.	Name
1	Dato' Chang Khim Wah
2	Datuk Heah Kok Boon

Additional Notes:

The board of directors of the Issuer is as at 15 February 2021.

(13) Disclosure of the following :

- (i) If the issuer or its board members have been convicted or charged with any offence under any securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law, or if any action has been initiated against the issuer or its board members for breaches of the same, for
- The Issuer and its board members have not been convicted or charged with any offence under any securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law and no action has been initiated against the Issuer and its board members for breaches of the same, since incorporation.

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

the past ten
years prior to
the lodgement/
since
incorporation
(for issuer
incorporated
less than ten
years)

- (ii) If the issuer has: Not applicable. The Issuer is not a listed entity.
been subjected
to any action by
the stock
exchange for
any breach of
the listing
requirements or
rules issued by
the stock
exchange, for
the past five
years prior to
the lodgement

(B) CORPORATE INFORMATION OF GUARANTOR

(1) Name : Eco World Development Group Berhad ("Kafalah Provider")

(2) Address : Registered Address:
Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan.

Business Address:
No. 60, Setia Avenue,
No. 2, Jalan Setia Prima S U13/S,
Setia Alam, Seksyen U13,
40170 Shah Alam,
Selangor Darul Ehsan.

(3) Date of incorporation: 8 March 1974

Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (4) Place of incorporation : Malaysia
- (5) Business registration number : 197401000725 (17777-V)
- (6) Residence status : Resident Controlled Company
- (7) Place of listing : Bursa Malaysia
- (8) Date of listing : 16 September 1991
- (9) Principal activities : Investment holding
- (10) Issued and paid-up share capital : Issued and paid-up share capital as at 15 February 2021 is as follows:
RM3,614,865,062.42 comprising 2,944,368,381 ordinary shares.
- (11) Structure of shareholdings and names of shareholders or, in the case of a public company, names of all substantial shareholders : The substantial shareholders and their respective shareholdings in the Kafalah Provider as at 15 February 2021 are as follows:

Name of Substantial Shareholders	No. of ordinary shares (Direct)	% (Direct)	No. of ordinary shares (Indirect)	% (Indirect)
Sinarmas Harta Sdn Bhd ("SHSB")	969,919,015	32.94	-	-
Tan Sri Dato' Sri Liew Kee Sin	276,987,729	9.41	155,750,000(1)	5.29
Liew Tian Xiong	215,780,601	7.33	-	-
Eco World Development Holdings Sdn Bhd ("EWDHSB")	248,875,439	8.45	-	-
Puan Sri Datin Sri How Teng Teng	20,000,000	0.68	135,750,000(2)	4.61
Dato' Leong Kok Wah	-	-	1,218,794,454(3)	41.39
Syabas Tropikal Sdn. Bhd. ("STSB")	-	-	969,919,015(4)	32.94
Tan Sri Abdul Rashid bin Abdul Manaf	-	-	248,875,439(5)	8.45

Notes:

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

1. Deemed interest by virtue of his interest in Jernih Padu Sdn Bhd (“JPSB”) pursuant to Section 8 of the CA 2016 and indirect interest by virtue of his spouse's interest.
2. Deemed interest by virtue of her interest in JPSB pursuant to Section 8 of the CA 2016.
3. Deemed interest by virtue of his interests in EWDHSB and STSB pursuant to Section 8 of the CA 2016.
4. Deemed interest by virtue of its interest in SHSB pursuant to Section 8 of the CA 2016.
5. Deemed interest by virtue of his interest in EWDHSB pursuant to Section 8 of the CA 2016.

(12) Board of directors :

No.	Name
1	Tan Sri Abdul Rashid bin Abdul Manaf
2	Tan Sri Dato' Sri Liew Kee Sin
3	Dato' Leong Kok Wah
4	Dato' Chang Khim Wah
5	Datuk Heah Kok Boon
6	Liew Tian Xiong
7	Tang Kin Kheong
8	Dato' Idrose bin Mohamed
9	Dato' Haji Obet bin Tawil
10	Dato' Noor Farida binti Mohd Ariffin
11	Low Mei Ling
12	Lim Hiah Eng

Additional Notes:

The board of directors of the Kafalah Provider is as at 15 February 2021.

(13) Disclosure of the following :

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (i) If the guarantor : The Kafalah Provider and its board members have not been convicted or charged or its board members have been convicted or charged with any offence under any securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law, and no action has been initiated against the Kafalah Provider and its board members for breaches of the same, for the past ten years prior to lodgement.
- (ii) If the guarantor : The Kafalah Provider has not been subjected to any action by Bursa Malaysia for has been subjected to any action by the stock exchange for any breach of the listing requirements or rules issued by the stock exchange, for the past five years prior to the lodgement

(C) PARTIES TO THE TRANSACTION

Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

(a) Origination

No.	Roles	Name of parties
1	Issuer	Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)
2	Guarantor	Eco World Development Group Berhad ("Kafalah Provider")
3	Principal Adviser	CIMB Investment Bank Berhad
4	Principal Adviser	RHB Investment Bank Berhad
5	Lead Arranger	CIMB Investment Bank Berhad ("CIMB")
6	Lead Arranger	RHB Investment Bank Berhad ("RHB")
7	Solicitors	Messrs Adnan Sundra & Low (acting as solicitors for the joint principal advisers ("Joint Principal Advisers")/ the joint lead arrangers ("Joint Lead Arrangers"))
8	Facility Agent	CIMB
9	Security Agents	CIMB
10	Sukuk Trustee	Pacific Trustees Berhad
11	Shariah Adviser	CIMB Islamic Bank Berhad
12	Shariah Adviser	RHB Islamic Bank Berhad

(b) At the point of distribution

No.	Roles	Name of parties
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Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)**Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)****Principal Terms and Conditions**

1	Issuer	Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)
2	Guarantor	Eco World Development Group Berhad
3	Lead Manager	CIMB (for the first issuance)
4	Lead Manager	RHB (for the first issuance)
5	Lead Manager	Such financial institutions as may be appointed from time to time (for subsequent issuances)
6	Bookrunner	CIMB (for the first issuance)
7	Bookrunner	RHB (for the first issuance)
8	Bookrunner	Such financial institutions as may be appointed from time to time (for subsequent issuances)
9	Facility Agent	CIMB
10	Central Depository	Bank Negara Malaysia ("BNM")
11	Paying Agent	BNM

(c) After distribution

No.	Roles	Name of parties
1	Issuer	Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)
2	Guarantor	Eco World Development Group Berhad
3	Principal Adviser	CIMB Investment Bank Berhad
4	Principal Adviser	RHB Investment Bank Berhad

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

5	Facility Agent	CIMB
6	Security Agents	CIMB
7	Sukuk Trustee	Pacific Trustees Berhad
8	Shariah Adviser	CIMB Islamic Bank Berhad
9	Shariah Adviser	RHB Islamic Bank Berhad
10	Central Depository	BNM
11	Paying Agent	BNM

(D) DETAILS OF FACILITY/PROGRAMME

(1) Name of facility : Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”)

(2) One-time issue or programme : Programme

(3) Shariah principles (for sukuk) : 1. Wakalah bi al-Istithmar
2. Murabahah (via Tawarruq arrangement)
3. Kafalah (Guarantee)

(4) Facility description (for ringgit-denominated sukuk, to provide description as cleared by the SC) : A Sukuk Wakalah Programme pursuant to which the Issuer may from time to time issue Sukuk Wakalah (as defined below) comprising secured senior ranking Islamic medium term notes (“**Secured Sukuk Wakalah**”) or unsecured senior ranking Islamic medium term notes (“**Unsecured Sukuk Wakalah**”), provided that the aggregate outstanding nominal value of Sukuk Wakalah shall not exceed RM500.0 million at any one time.

“**Sukuk Wakalah**” shall mean collectively, the Secured Sukuk Wakalah and the Unsecured Sukuk Wakalah, and where the context so requires, references to “**Sukuk Wakalah**” shall mean any one thereof.

Underlying Transaction

The issuance of each tranche of the Sukuk Wakalah from time to time under the

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

Sukuk Wakalah Programme shall be effected as follows: -

Step 1

Pursuant to a wakalah agreement (“**Wakalah Agreement**”) entered into between the Sukuk Trustee (acting on behalf of the holders of the Sukuk Wakalah (“**Sukukholders**”)) and the Issuer, the Sukuk Trustee shall appoint the Issuer to act as its agent (“**Investment Wakeel**”) to invest the issue proceeds of the Sukuk Wakalah (“**Sukuk Proceeds**”) in the Wakalah Investments (as defined below) and manage it.

Step 2

The Issuer, in its capacity as the Investment Wakeel, shall declare a trust over the Trust Assets (as defined below) for the benefit of the Sukukholders. The Sukuk Wakalah shall represent the Sukukholders’ undivided and proportionate beneficial interest in the Trust Assets. The “**Trust Assets**” shall comprise (i) the Sukuk Proceeds, (ii) the Wakalah Investments and (iii) the rights, title, interest, entitlement and benefit in, to and under the Transaction Documents.

The Issuer shall issue the Sukuk Wakalah from time to time and the Sukukholders shall subscribe to the Sukuk Wakalah by paying the Sukuk Proceeds. The Investment Wakeel shall invest the Sukuk Proceeds received from the Sukukholders into the relevant investment portfolio which shall comprise:

(a) the Shariah-compliant general business of any entities within the Eco World Group (as defined below) and shall exclude all Shariah non-compliant activities of the Eco World Group (“**Shariah-compliant Business**”), which will be determined prior to the issuance of the Sukuk Wakalah and will be based on proportionate basis via specific percentage (mal musha’); and

(b) the Shariah-compliant commodities which may include but not limited to crude palm oil or such other acceptable commodities (excluding ribawi items in the category of medium of exchange such as currency, gold and silver) which are traded through the commodity trading platform, Bursa Suq Al-Sila’ and/or such other commodity trading platforms acceptable to the joint shariah advisers (“**Joint Shariah Advisers**”) (“**Commodities**”) purchased and sold under the Shariah principle of Murabahah (via Tawarruq arrangement) (“**Commodity Murabahah Investment**”).

“**Eco World Group**” means Eco World Development Group Berhad and its subsidiaries.

The Shariah-compliant Business and the Commodity Murabahah Investment shall collectively be referred to as the “**Wakalah Investments**”. For the avoidance of doubt, each of the Wakalah Investments shall comprise both the Shariah-compliant Business and the Commodity Murabahah Investment.

Step 3

Pursuant to the Wakalah Agreement, the Investment Wakeel shall invest part of the Sukuk Proceeds into the Shariah-compliant Business of the Eco World Group. The value of the Wakalah Investments in respect of the Shariah-compliant Business should be at least 33% of the Wakalah Investments. For the avoidance of doubt, the above ratio of at least 33% of the value of the Wakalah Investments is only applicable at the point of initial investment for each tranche of the respective Sukuk Wakalah, subject to the valuation principles set out in the Wakalah Agreement, which is equal to (i) net tangible assets of the Shariah-compliant

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

Business based on the latest available audited accounts of Eco World Group, or (ii) other acceptable valuation principles to be agreed by the Issuer and the Joint Shariah Advisers and does not need to be maintained throughout the tenure of the Sukuk Wakalah. However, the Investment Wakeel shall ensure that the Shariah-compliant Business is at all times a component of the Wakalah Investments.

Step 4

The remaining balance of the Sukuk Proceeds (after investment into the Shariah-compliant Business) shall be invested into the Commodity Murabahah Investment. Pursuant to the commodity Murabahah investment agreement to be entered into between the Issuer in its capacity as the buyer ("**Buyer**"), the Investment Wakeel and such party to be appointed as the agent of both the Buyer and the Investment Wakeel ("**Agent**"), the Commodity Murabahah Investment shall be effected as follows:

(a) The Buyer shall issue a purchase order to the Investment Wakeel and the Sukuk Trustee (both acting on behalf of the Sukukholders) ("**Purchase Order**") with an irrevocable and unconditional undertaking to purchase the Commodities from the Investment Wakeel (acting on behalf of the Sukukholders) at the Deferred Sale Price (as defined below);

(b) Pursuant to the Purchase Order, the Investment Wakeel (acting on behalf of the Sukukholders), via its Agent, will purchase the Commodities on spot basis from the commodity supplier(s) at Bursa Suq Al-Sila' and/or a commodity broker ("**Commodity Broker A**") at such other commodity trading platforms acceptable to the Joint Shariah Advisers ("**Commodity Supplier**") at a purchase price equivalent to the remaining balance of the Sukuk Proceeds (after investment into the Shariah-compliant Business) ("**Commodity Purchase Price**"). The Commodity Purchase Price shall be in line with the asset pricing requirements stipulated under the Securities Commission Malaysia ("**SC**")'s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (first issued on 9 March 2015 and revised on 12 November 2020) (as amended from time to time) ("**LOLA Guidelines**").

(c) Upon acquiring the Commodities, the Investment Wakeel (acting on behalf of the Sukukholders), via its Agent, will thereafter sell those Commodities to the Buyer for a price equivalent to the Commodity Purchase Price plus the aggregate profit margin ("**Deferred Sale Price**") and shall be payable on a deferred payment basis. For the avoidance of doubt, the Deferred Sale Price shall be equal to the aggregate of the Expected Periodic Distribution Amount (as defined in the section entitled "*Other terms and conditions*"), if any, and 100% of the nominal value of the Sukuk Wakalah.

(d) Upon the purchase of the Commodities, the Buyer, via its Agent, will immediately sell the Commodities to Bursa Malaysia Islamic Services Sdn Bhd and/or a commodity broker other than Commodity Broker A at such other commodity trading platforms acceptable to the Joint Shariah Advisers ("**Commodity Buyer**") on spot basis for cash, at a selling price equivalent to the Commodity Purchase Price ("**Selling Price**").

Step 5

Returns generated from the Wakalah Investments up to the Expected Periodic Distribution Amount shall be distributed periodically in the form of periodic distributions ("**Periodic Distributions**", and each a "**Periodic Distribution**"). On i)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

each periodic distribution date; ii) the maturity date of the relevant Sukuk Wakalah (“**Scheduled Dissolution Date**”); or iii) the Dissolution Declaration Date (as defined below), as the case may be, any returns from the Wakalah Investments in excess of the Expected Periodic Distribution Amount distributable and/or the Dissolution Distribution Amount (as defined below) due and payable under the Sukuk Wakalah shall be retained by the Investment Wakeel as an incentive fee for its services as the Investment Wakeel in managing the Wakalah Investments under the Wakalah Agreement.

“**Dissolution Declaration Date**” shall mean the date on which the Sukuk Trustee, by written notice to the Issuer, declares that a Dissolution Event (as defined in the section entitled “*Events of default or enforcement events, where applicable, including recourse available to investors*”) has occurred.

The “**Dissolution Distribution Amount**” shall be equivalent to:

- (a) nominal value of the Sukuk Wakalah; plus
- (b) the accrued but unpaid Expected Periodic Distribution Amount (if any), accrued up to the Scheduled Dissolution Date.

Step 6

The Issuer as the obligor (“**Obligor**”) shall grant a purchase undertaking to the Sukuk Trustee (for the benefit of the Sukukholders) (“**Purchase Undertaking**”), whereby on a Scheduled Dissolution Date or the Dissolution Declaration Date whichever is the earlier, the Obligor shall purchase the Sukukholders’ undivided and proportionate beneficial interest in the Shariah-compliant Business at the Exercise Price (as defined below) by entering into a sale agreement.

The “**Exercise Price**” for the purchase of the Shariah-compliant Business, shall be at the market value or fair value of the Shariah-compliant Business determined based on the valuation principles set out in the Wakalah Agreement, on the relevant Scheduled Dissolution Date(s) or the Dissolution Declaration Date, as the case may be.

Step 7

Proceeds of the Wakalah Investments including the Exercise Price, the Deferred Sale Price (subject to any Ibra’, if applicable) and any returns generated shall be utilised to redeem the Sukuk Wakalah at the Dissolution Distribution Amount on the Scheduled Dissolution Date or the Dissolution Declaration Date, as the case may be. Any excess in respect of the proceeds of the Wakalah Investments thereof shall be retained by the Investment Wakeel as incentive fee. Upon full payment of all amounts due and payable under the Sukuk Wakalah, the relevant trust in respect of the Trust Assets will be dissolved and the relevant Sukuk Wakalah held by the Sukukholders will be cancelled.

Step 8

Eco World Development Group Berhad in its capacity as the guarantor (“**Kafalah Provider**”) shall provide an unconditional and irrevocable guarantee based on the Shariah principle of Kafalah as a continuing obligation, in favour of the Sukuk Trustee for and on behalf of the Sukukholders under which the Kafalah Provider shall agree to pay for all outstanding amount due and payable in relation to the Sukuk Wakalah Programme including Ta’widh and the related fees, expenses and charges in relation to the Sukuk Wakalah upon a Dissolution Declaration Date.

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (5) Currency : Ringgit
- (6) Expected facility/
programme size : MYR 500,000,000.00
- (7) Option to upsize (for : Yes
programme)

Additional Notes:

The Issuer has the option to upsize the limit of the Sukuk Wakalah Programme at any time and from time to time subject to the following being fulfilled prior to the exercise of the option to upsize by the Issuer:

(i) where relevant and applicable, the consents from existing financiers/lenders of the Issuer and/or the Kafalah Provider being obtained;

(ii) the compliance with the relevant requirements under Part 3 of the SC's LOLA Guidelines;

(iii) the necessary corporate authorisations of the Issuer and the Kafalah Provider being obtained; and

(iv) such other terms and/or conditions as may be advised by the Solicitors, if any.

The Sukukholders shall be deemed to have consented to such upsizing of the limit of the Sukuk Wakalah Programme in the trust deed in relation to the Sukuk Wakalah Programme ("**Trust Deed**"). No further consent will be required from the Sukuk Trustee, the Facility Agent or any other party under the Sukuk Wakalah Programme when the upsizing of the limit of the Sukuk Wakalah Programme is exercised by the Issuer.

- (8) Tenure of facility/
programme : 20 year(s)

- (9) Availability period for:
debt/ sukuk
programme : The Sukuk Wakalah shall be available throughout the tenure of the Sukuk Wakalah Programme subject to compliance of the conditions precedent set out in the Transaction Documents.

The first issuance of the Sukuk Wakalah shall be made within sixty (60) business days from the date of lodgement of the required information and documents relating to the Sukuk Wakalah Programme with the SC or such other period as may be approved by the SC.

- (10) Clearing and
settlement platform : Payment Networks Malaysia Sdn Bhd ("**PayNet**")

- (11) Mode of issue : Private/direct placement
 Bought deal
 Book building

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (12) Selling restrictions : (i) At issuance:
- Part I of Schedule 6 of the Capital Markets & Services Act, 2007 (CMSA)
 - Part I of Schedule 7 of the CMSA
 - Read together with Schedule 9 of CMSA
- (ii) After issuance:
- Part I of Schedule 6 of the CMSA
 - Read together with Schedule 9 of CMSA

Additional Notes:

Selling Restrictions at Issuance

The Sukuk Wakalah may only be offered, sold, transferred or otherwise disposed directly or indirectly to persons to whom an offer or invitation to subscribe the Sukuk Wakalah may be made and to whom the Sukuk Wakalah are issued would fall within Part I of Schedule 6 and Part I of Schedule 7 of the Capital Markets and Services Act 2007 (as amended from time to time) (“**CMSA**”), read together with Schedule 9 or Section 257(3) of the CMSA, subject to any changes in the applicable laws.

Selling Restrictions after Issuance

The Sukuk Wakalah may only be offered, sold, transferred or otherwise disposed directly or indirectly to persons to whom an offer or invitation to subscribe the Sukuk Wakalah may be made would fall within Part I of Schedule 6 or Section 229(1)(b) of the CMSA, read together with Schedule 9 or Section 257(3) of the CMSA, subject to any changes in the applicable laws.

- (13) Tradability and transferability : Size in Ringgit which are tradable and transferable:
MYR 500,000,000.00
- Size in Ringgit which are non-tradable and non-transferable:
Not applicable

- (14) Secured/combinatio : Each series (as defined below) of Sukuk Wakalah issued under the Sukuk
n of unsecured and Wakalah Programme may or may not be secured but all tranches (as defined
secured, if below) within a particular series shall be either secured or unsecured and not both.
applicable For the avoidance of doubt, if a tranche within a particular series is secured, then
all tranches within such series shall be secured. Likewise, if a tranche within a
particular series is unsecured, then all tranches within such series shall be
unsecured.

The relevant series of Secured Sukuk Wakalah will be secured by such security/collateral to be mutually agreed between the Issuer and the Lead Manager(s) appointed for such issuance of the Secured Sukuk Wakalah under the Sukuk Wakalah Programme (“**Issue Security**”).

“**series**” shall mean, in relation to any Sukuk Wakalah, such Sukuk Wakalah with the same issue date. For the avoidance of doubt, each series may comprise one or more tranches.

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

“**tranche**” shall mean, in relation to any Sukuk Wakalah, such Sukuk Wakalah with the same issue date and same Scheduled Dissolution Date, consisting of the same terms and conditions and where applicable, sharing the same security (in respect of Secured Sukuk Wakalah).

Issue Security in respect of Series 1

The first issuance of Sukuk Wakalah under the Sukuk Wakalah Programme (“**Series 1**”) shall be issued as Secured Sukuk Wakalah and shall be secured by the following:

1. 3rd party specific debentures by the relevant Security Party (as defined below) creating a first fixed and floating charge over such identified completed properties as security in respect of the Series 1 Secured Assets (as defined below) and/or a memorandum of deposit over the issue documents of title in respect of such completed properties (where issue documents of title are available) (“**Series 1 Secured Assets Security**”);
2. First legal assignment and charge over the Designated Accounts (as defined in the section entitled “*Details of designated account, if applicable*”) by the Issuer; and
3. Irrevocable and unconditional guarantee based on the Shariah principle of Kafalah from Eco World Development Group Berhad as the Kafalah Provider;

Where relevant, all the relevant Issue Security for Series 1 shall also be supplemented by such relevant ancillary security documents, including, but not limited to letters of undertaking from the Security Parties to deposit sales proceeds into the Escrow Account-1 (as defined in the section entitled “*Details of designated account, if applicable*”).

“**Series 1 Secured Assets**” refers to any one or a combination of the following:

- i) Completed 2-storey shop offices, cluster factories and/or semi-detached factories located within the industrial development project named “Eco Business Park I” located in Mukim Tebrau, Daerah Johor Bahru, Johor (“**Eco Business Park I Completed Units**”) owned by Eco Business Park 1 Development Sdn Bhd;
- ii) Completed commercial shops at Eco Palladium located within the development project named “Eco Summer” located in Mukim Tebrau, Daerah Johor Bahru, Johor (“**Eco Palladium Completed Units**”) owned by Eco Springs Development Sdn Bhd;
- iii) Completed condominium units located within the development project named “Eco Terraces” which is located in Mukim 13, Daerah Utara-Timur, Pulau Pinang (“**Eco Terraces Completed Units**”) owned by Eco Terraces Development Sdn Bhd;
- iv) Completed high-rise residential units and/or completed commercial shops at Eco Bloom located within the development project named “Eco Meadows” which is located in Mukim 9 & 14, Daerah Seberang Perai Selatan, Pulau Pinang (“**Eco Bloom Completed Units**”) owned by Eco Meadows Development Sdn Bhd;
- v) Completed condominium units at The Parque Residences located within the development project named “Eco Sanctuary” which is located in Mukim Tanjong Duabelas, Daerah Kuala Langat, Selangor (“**The Parque Residences Completed Units**”) owned by Eco Sanctuary Sdn Bhd; and/or

Principal Terms and Conditions

vi) where applicable, Series 1 Replacement Properties (as defined below).

The Issuer shall ensure that the Adjusted Security Cover (as defined below) is met at all times.

The parties from time to time providing security to the Security Agent for the benefit of the Sukukholders shall collectively be referred to as “**Security Parties**” and each a “**Security Party**”.

Series 1 Replacement Properties

Series 1 Replacement Properties comprise any one or a combination of the following:

i) Completed units of residential and/or commercial units under the development projects named (i) “Eco Sanctuary”, (ii) “Eco Majestic” and/or (iii) “Eco Forest” (collectively, the “**Central Region Replacement Properties**”);

ii) Completed units of residential, commercial and/or industrial units under the development projects named (i) “Eco Botanic”; (ii) “Eco Botanic 2”; (iii) “Eco Tropics”; (iv) “Eco Summer”; (v) “Eco Spring”; (vi) “Eco Business Park I”; (vii) “Eco Business Park II” and/or (viii) “Eco Business Park III” (collectively, the “**Southern Region Replacement Properties**”);

iii) Completed units of residential and/or commercial units under the development projects named (i) “Eco Terraces” and/or (ii) “Eco Meadows” (collectively, the “**Northern Region Replacement Properties**”); and/or

iv) Such other properties to be approved by the Sukukholders via a special resolution.

For the avoidance of doubt, all the Series 1 Secured Assets above will be security for the benefit of all Sukukholders under Series 1 on a pari passu basis. The Sukuk Wakalah of each tranche (i.e. different tenure issued on the same issue date) under Series 1 will have the same voting rights and will vote collectively as Sukukholders under Series 1.

Release and Replacement of Security

In respect of the Secured Sukuk Wakalah to be issued under Series 1, the Issuer may request for the release of proceeds from the Escrow Account-1 and/or any of the Series 1 Secured Assets at any time provided always that such release of proceeds and/or any of the Series 1 Secured Assets does not result in a breach of the relevant Adjusted Security Cover.

Where the Issuer wishes to effect any replacement of the Series 1 Secured Assets with the Series 1 Replacement Properties (“**Release and Replacement of Security**”) for purposes of the release of proceeds from the Escrow Account-1, the Issuer shall provide the Facility Agent, the Security Agent and the Sukuk Trustee with at least fifteen (15) business days’ prior written notice (“**Notification Requirement**”) in order for the Security Agent to initiate such necessary actions in relation to the Release and Replacement of Security. For the avoidance of doubt, any withdrawal of proceeds from the Escrow Account-1 and/or any of the Series 1 Secured Assets by the Issuer which does not result in a breach of the relevant Adjusted Security Cover (thereby not requiring any Release and Replacement of Security) shall not be subjected to the Notification Requirement as set out above.

Adjusted Security Cover

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

The Adjusted Security Cover shall be a minimum of one (1) time, calculated as follows:

$$\text{Adjusted Security Cover} = \text{Adj MV} / (\text{P} - \text{DA})$$

Where:

Adj MV = The total adjusted market value of the Series 1 Secured Assets (computed based on Market Value (as described below) adjusted to the relevant Loan-to-Value (“LTV”) ratio as per the formula set out in the table below)

P = Nominal value of outstanding Sukuk Wakalah

DA = Aggregate balance in the Escrow Account-1 (as defined below) and the SFA T-1 (as defined below) (collectively, the “**Designated Accounts**”)

Computation of Adjusted Market Value of Series 1 Secured Assets:

The total adjusted market value for Series 1 Secured Assets shall be computed as the sum of the relevant **Market Value*** of the relevant Series 1 Secured Assets multiplied by the relevant LTV ratio as follows:

Series 1 Secured Assets	LTV
Eco Business Park I Completed Units	50.0%
Eco Palladium Completed Units	50.0%
Eco Terraces Completed Units	55.0%
Eco Bloom Completed Units	55.0%
The Parque Residences Completed Units	62.5%
Central Region Replacement Properties	62.5%
Southern Region Replacement Properties	50.0%
Northern Region Replacement Properties	55.0%

*Determination of Market Value of Secured Assets:

The Market Value of the Series 1 Secured Assets (other than Series 1 Replacement Properties) shall be determined based on (i) the actual valuation certificate of the relevant agreed sampling units (“**Sampling Units**”) obtained from valuer(s) acceptable to the Lead Manager(s) and (ii) for other units which are not part of the Sampling Units, the relevant valuation shall be derived on a per square foot (“**psf**”) basis based on the actual valuation on psf basis of the relevant identified Sampling Units.

The Market Value of Series 1 Replacement Properties shall be based on (i) the actual valuation certificate of such Series 1 Replacement Properties obtained from valuer(s) acceptable to the Lead Manager(s), OR (ii) in the absence of such valuation certificate, valuation shall be at a value after applying a 15% discount on the gross selling price of such relevant unit where such gross selling price shall be jointly signed off and confirmed by an authorised signatory of the Issuer and Kafalah Provider.

For the avoidance of doubt, for subsequent issuances of Secured Sukuk Wakalah, the formulation of the Adjusted Security Cover, Determination of Market Value, Release and Replacement of Security and eligible Replacement Properties shall be based upon the principles set out in the above terms and conditions, unless otherwise agreed between the Issuer and the Lead Manager(s) appointed for such subsequent issuance and as stated in the relevant Transaction Documents of such

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

subsequent issuance of Secured Sukuk Wakalah.

- (15) Details of guarantee, if applicable : The Kafalah Provider shall provide an unconditional and irrevocable guarantee as a continuing obligation, in favour of the Sukuk Trustee for and on behalf of the Sukukholders under which the Kafalah Provider shall agree to pay for all outstanding amount due and payable in relation to the Sukuk Wakalah Programme including Ta'widh and the related fees, expenses and charges in relation to the Sukuk Wakalah upon a Dissolution Declaration Date.

Upon the occurrence and declaration of any dissolution events under the Sukuk Wakalah as provided in the Trust Deed and the relevant Transaction Documents, all amount outstanding under the relevant series of Sukuk Wakalah shall be accelerated and shall immediately become due and payable, and the Security Agent is entitled to enforce its rights against the Issue Security, including enforcing the guarantee by the Kafalah Provider.

- (16) Convertibility of issuance and details of the convertibility : Non-convertible

- (17) Exchangeability of issuance and details of the exchangeability : Non-exchangeable

- (18) Call option and details, if applicable : No call option

- (19) Put option and details, if applicable : No put option

- (20) Details of covenants : Positive Covenants

Positive covenants typical and customary for a transaction of this nature which shall include but not limited to the following:

(1) Each of the Issuer and the Kafalah Provider shall obtain and maintain in full force and effect 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 to enable it to own its assets, to carry on its business or for the Issuer and the Kafalah Provider to enter into or perform its obligations under the Transaction Documents or to ensure the validity, enforceability, admissibility in evidence of the obligations of the Issuer and the Kafalah Provider or the rights of the facility agent, security agent, Sukuk Trustee and Sukukholders under the Transaction Documents and the Issuer and the Kafalah Provider shall comply with the same;

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

(2) each of the Issuer and the Kafalah Provider shall at all times on demand execute and cause and procure the execution of all such further documents and do all such further acts reasonably necessary at any time or times to give effect to the terms and conditions of the Transaction Documents;

(3) each of the Issuer and the Kafalah Provider shall exercise reasonable diligence and procure all its subsidiaries to exercise reasonable diligence in carrying out its business and affairs in a proper and efficient manner and in accordance with sound financial and commercial standards and practices of the industry of the Issuer and the Kafalah Provider;

(4) each of the Issuer and the Security Parties shall promptly perform and carry out its obligations under the Transaction Documents to which it is a party and ensure that it shall immediately notify the Facility Agent and/or the Sukuk Trustee in the event that the Issuer and/or the Security Parties is unable to fulfil or comply with any of the provisions of the Transaction Documents;

(5) the Issuer shall at all times maintain a paying agent, or its equivalent, who is based in Malaysia and shall procure that the facility agent to notify the Sukuk Trustee, if the paying agent does not receive payment from the Issuer on the due dates as required under the Trust Deed and the terms and conditions of the relevant Sukuk Wakalah;

(6) each of the Issuer and the Kafalah Provider shall maintain and keep proper books and accounting records at all times and shall provide as reasonably requested by the Sukuk Trustee and any person appointed by it to access to such books and accounts to the extent permitted by related law;

(7) the Issuer will ensure that the provisions of the information memorandum (including any preliminary and/or supplemental information memorandum) in respect of the Sukuk Wakalah Programme ("**Information Memorandum**") do not contain any matter which is inconsistent with the terms in the Trust Deed and the Sukuk Wakalah;

(8) each of the Issuer and the Kafalah Provider shall promptly perform and carry out all its obligations under all the Transaction Documents (including but not limited to redeeming the relevant Sukuk Wakalah on the relevant Scheduled Dissolution Date(s) or any other date on which the Sukuk Wakalah are due and payable) in accordance with the terms and conditions of the Sukuk Wakalah Programme and the Trust Deed and ensure that it shall immediately notify the Facility Agent and/or Sukuk Trustee in the event that the Issuer and/or the Kafalah Provider is unable to fulfil or comply with any of the provisions of the Transaction Documents;

(9) each of the Issuer and the Kafalah Provider 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 and the Kafalah Provider 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 and the Kafalah Provider;

(10) where the Kafalah Provider is required to comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (as amended from time to time) ("**Main Market Listing Requirements**" or "**MMLR**") in relation to related party

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

transactions, the Issuer shall ensure full compliance by the Kafalah Provider with the same;

(11) the Issuer will ensure that any conditions subsequent in relation to the issuance of the Sukuk Wakalah are complied with in accordance with the terms and conditions of the Sukuk Wakalah and that any request from the Issuer to add, extend, vary or otherwise modify any conditions subsequent shall be subject to the approval of Sukukholders;

(12) the Issuer shall ensure that the Adjusted Security Cover is met at all relevant times (including to top-up any shortfall of amounts so required in the relevant Designated Accounts), if applicable; and

(13) any other covenants mutually agreed between the Joint Lead Arrangers, the Issuer and the Kafalah Provider.

Negative covenants

Negative covenants typical and customary for a transaction of this nature which shall include but not limited to the following:

(1) Each of the Issuer and the Kafalah Provider shall not add, delete, amend, supplement, vary or substitute its constitutional documents in a manner inconsistent with the provisions of the Transaction Documents or in a manner which may be materially prejudicial to the interests of the Sukukholders;

(2) if there has been a breach of the Financial Covenant (as defined in the section entitled "*Financial Covenants*" below) and such breach is continuing or if such additional borrowings / financing will result in a breach of the Financial Covenant, the Kafalah Provider shall not:

(a) obtain or incur any additional borrowings / financing; or

(b) allow or permit any company within the Eco World Group to obtain or incur any additional borrowings / financing;

(3) each of the Issuer and Kafalah Provider shall not sell, transfer, lease (other than by way of operating lease) or otherwise dispose of or in any case, cease to exercise control over, whether by a single transaction or a number of transactions, related or not, the whole or part of the Issuer's and/or Kafalah Provider's undertaking, business or assets save and except for such sale, transfer, lease, disposal, exercise or transactions which do not have a Material Adverse Effect;

(4) the Kafalah Provider shall not declare or pay any dividends or make any distribution whether income or capital in nature to its shareholders if:

(a) a Dissolution Event or Potential Dissolution Event (as defined in the section entitled "*Other terms and conditions*") has occurred or is continuing or would occur if such payment or distribution is made; or

(b) the Financial Covenant has been breached or a breach would occur if such payment or distribution is made;

(5) the Issuer shall not enter into a transaction which involves the interest (direct or indirect) of the Issuer's interested persons (as defined in the SC's Guidelines on Trust Deeds first issued on 12 July 2011 and revised on 23 July 2020, as amended from time to time) ("**Trust Deeds Guidelines**") including its directors, major

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

shareholders and chief executive office (“**Interested Persons**”) other than a transaction of the type referred to in paragraph (7) below;

(6) in the event that the Kafalah Provider is no longer subject to the MMLR (including by virtue of it no longer being a subsidiary of a listed entity which is subject to the MMLR), the Kafalah Provider shall not enter into any transaction, whether directly or indirectly with its Interested Persons unless:

(a) such transaction shall be on terms that are no less favourable to the Kafalah Provider than those which could have been obtained in a comparable transaction from persons who are not the Interested Persons; and

(b) with respect to transactions involving an aggregate payment or value equal to or greater than RM230,000,000, the Kafalah Provider obtains certification from an independent adviser that the transaction is carried out on fair and reasonable terms,

PROVIDED THAT:-

(i) the Kafalah Provider certifies to the Sukuk Trustee that the transaction complies with subparagraph (a) above;

(ii) the Kafalah Provider has received and furnished to the Sukuk Trustee the certification referred to in subparagraph (b) above, where applicable; and

(iii) that the transaction has been approved by the board of directors or shareholders in accordance with the constitution of the Kafalah Provider as the case may require;

(7) the Issuer shall not lend any money or advance to any person other than to the Eco World Group and/or joint ventures which the Eco World Group is a party to;

(8) the Kafalah Provider shall not lend any money or advance to any person other than:

(a) to the Kafalah Provider’s directors, officers or employees as part of their terms of employment,

(b) the contract counterparties pursuant to contracts entered into in the ordinary course of business, and where such lending is in the ordinary course of performance of a contract; and

(c) to its subsidiaries, associated companies and joint ventures to which the Eco World Group is a party to;

(9) the Issuer shall not carry on any other business other than to undertake the Sukuk Wakalah Programme;

(10) the Issuer shall not change, utilise or allow the utilisation of the proceeds from the Sukuk Wakalah for any purposes other than for the purposes set out in the Information Memorandum and the Transaction Documents; and

(11) any other covenants to be mutually agreed between the Joint Lead Arrangers, the Issuer and the Kafalah Provider.

Financial Covenants

Throughout the tenure of the Sukuk Wakalah Programme where there is any

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

amount of Sukuk Wakalah remain outstanding, the Issuer and the Kafalah Provider shall ensure that the Consolidated Gearing Ratio shall not be greater than 1.50 times at all times.

The “**Consolidated Gearing Ratio**” shall mean the ratio of the consolidated indebtedness of the Eco World Group represented by the sum of:

- (i) all amounts outstanding under the Sukuk Wakalah Programme; and
- (ii) all other indebtedness for borrowed monies / financing under conventional or Shariah compliant financing arrangements, hire purchase obligations, net exposure determined on a marked to market basis under any derivative instrument and obligations under guarantees,

to Eco World Group’s consolidated shareholders’ funds including any hybrid capital classified as equity for accounting purposes, retained earnings or losses and reserves.

For the avoidance of doubt, the indebtedness of the Eco World Group as defined above shall exclude those amounts owing to trade and other creditors (apart from the creditors for borrowed monies/financing) and payables arising from the ordinary course of business.

The Consolidated Gearing Ratio shall be calculated on a yearly basis based on the Kafalah Provider’s latest consolidated audited accounts and the Issuer and Kafalah Provider shall provide to the Sukuk Trustee a yearly compliance certificate duly signed by any two (2) directors of the Kafalah Provider.

For the avoidance of doubt, any double counting shall be disregarded.

Information Covenants

Information covenants typical and customary for a transaction of this nature shall include but not limited to:

(1) each of the Issuer and the Kafalah Provider shall respectively provide to the Sukuk Trustee at least on an annual basis, a certificate signed by any two (2) directors of the Issuer and Kafalah Provider (respectively) confirming that it has complied with all its obligations under the Transaction Documents and the terms and conditions of the Sukuk Wakalah Programme and that there does not exist or had not existed, from the date the Sukuk Wakalah were issued or the date of the previous certificate, as the case may be, any Dissolution Event or Potential Dissolution Event, and if such is not the case, to specify the same;

(2) each of the Issuer and the Kafalah Provider shall deliver to the Sukuk Trustee the following:

(a) as soon as they become available (and in any event within one hundred and eighty (180) days after the end of each of its financial years) copies of its financial statements for that year which shall contain the income statements and statements of financial position of the Issuer and the Kafalah Provider and which are audited and certified without qualification by a reputable firm of independent certified public accountants;

(b) as soon as they become available (and in any event within ninety (90) days after the end of the first half of its financial year) copies of its unaudited half yearly financial statements for that period which shall contain the income statement and

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

statements of financial position of the Issuer and the Kafalah Provider which are duly certified by its authorised officers;

(c) promptly, such additional financial or other information relating to the Issuer's and the Kafalah Provider's business and its operations as the Sukuk Trustee may from time to time reasonably request in order to discharge its duties and obligations under the Trust Deed relating to the Issuer's and the Kafalah Provider's affairs to the extent permitted by applicable law;

(d) promptly (and in any event, within ninety (90) days from the date of issuance), copies of any other accounts, reports, notices, statements, circulars or any documents issued to each of the Issuer's and the Kafalah Provider's shareholders concerning any matter, event or occurrence which may have a Material Adverse Effect to or is necessary or substantial for the Sukukholders to make informed investment decisions; and

(e) promptly (and in any event within ten (10) days from the end of each month), the account statements of the relevant Sinking Fund Account(s) and the Escrow Account(s) if applicable;

(3) the Issuer shall promptly but in any case within three (3) business days, notify the Sukuk Trustee if the Issuer becomes aware of the following:

(a) any Dissolution Event;

(b) the happening of any event that has caused or could cause, one or more of the following:

(i) any amount secured or payable under the Sukuk Wakalah to become immediately payable;

(ii) any Sukuk Wakalah to become immediately enforceable; or

(iii) any other right or remedy under the terms, provisions or covenants of the Sukuk Wakalah Programme or the Trust Deed to become immediately enforceable;

(c) any material circumstance that has occurred that would materially prejudice the Issuer, the Kafalah Provider, any Security Parties and/or any security created pursuant to the Sukuk Wakalah Programme;

(d) any substantial or material adverse change in the nature of the business or financial condition of the Issuer, Kafalah Provider and/or any Security Parties;

(e) any change in the name of the Issuer or the Kafalah Provider;

(f) any cessation of liability of the Kafalah Provider for the payment of the whole or part of the moneys for which they were liable under the Kafalah;

(g) any claims against the Issuer and/or any Security Parties which could have a Material Adverse Effect;

(h) any material change in withholding tax position of the Issuer;

(i) any change in the utilisation of proceeds from the Sukuk Wakalah Programme where the Transaction Documents or the Information Memorandum set out a specific purpose for which proceeds are to be utilised;

(j) any material change in the directorship, management and shareholder of the

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

Issuer and/or the Security Parties that would have a Material Adverse Effect on the Issuer and/or the Security Parties; or

(k) any other matter that may materially prejudice the interests of the Sukukholders; and

(4) any other covenants mutually agreed between the Joint Lead Arrangers, the Issuer, the Kafalah Provider and the Security Parties.

(21) Details of designated account, if applicable :

Name of account:
Sinking Fund Account – Series 1 (“SFA T-1”)

Parties responsible for opening the account:
Issuer

Parties responsible for maintaining/operating account:
Security Agent

Signatories to account:
Security Agent

Sources of funds:

(i) Where applicable, cash transferred from any Escrow Account, cash deposited by the Kafalah Provider, any cash deposited to meet the Adjusted Security Cover and/or any cash pursuant to any Release and Replacement of Security.

(ii) The SFA T-1 shall capture an amount equivalent to 50% of the nominal amount of the Secured Sukuk Wakalah to be issued under Series 1, and built up progressively via 10 equal monthly payments, each amounting to 5% of the outstanding nominal amount of the Secured Sukuk Wakalah issued under Series 1, whereby the first monthly payment shall commence 10 months prior to the maturity date of the Secured Sukuk Wakalah.

Utilisation of funds:

Provided no Dissolution Event has occurred, the Issuer shall be entitled to utilise the funds in the SFA T-1 for the following purposes:

a) From time to time, to invest in the Permitted Investments, subject to the conditions set out in the section entitled “*Permitted investments, if applicable*”. All income earned from such investments shall be remitted into the SFA T-1; and

b) To redeem the Sukuk Wakalah and pay all other amount due and payable in relation to the Sukuk Wakalah.

(22) Details of designated account, if applicable :

Name of account:
Escrow Account (“Escrow Account -1”)

Parties responsible for opening the account:
Issuer

Parties responsible for maintaining/operating account:
Security Agent

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

Signatories to account:

Security Agent

Sources of funds:

Where applicable, sale proceeds from sale of the relevant Series 1 Secured Assets, cash deposited by the Kafalah Provider, any cash deposited to meet the Adjusted Security Cover and/or any cash deposited pursuant to any Release and Replacement of Security.

Utilisation of funds:

Provided no Dissolution Event has occurred, the Issuer shall be entitled to utilise the funds in the Escrow Account-1 for the following purposes:

- a) From time to time, to invest in the Permitted Investments, subject to the conditions set out in the section entitled "*Permitted investments, if applicable*". All income earned from such investments shall be remitted into the Escrow Account-1;
- b) To pay for any outstanding amount due and payable under the Sukuk Wakalah;
- c) To transfer to the SFA T-1; and
- d) Release to the Issuer provided that the Adjusted Security Cover is met.

Additional Notes:

For the avoidance of doubt, in respect of subsequent issuances of Secured Sukuk Wakalah, the Issuer shall open and maintain a Shariah-compliant sinking fund account (if required) and a Shariah-compliant escrow account with bank(s) acceptable to the Lead Manager(s) appointed for such subsequent issuance and the Security Agent. The operations of such designated accounts, for such subsequent issuance(s), shall be mutually agreed between the Issuer and the Lead Manager(s) appointed for such subsequent issuance prior to such subsequent issuance of Secured Sukuk Wakalah and shall be similar to the operations of the Designated Accounts in respect of Series 1 unless otherwise stated in the relevant Transaction Documents of the subsequent issuances of Secured Sukuk Wakalah.

(23) Name of credit rating agency, credit rating and amount rated, if applicable

Not rated

(24) Conditions precedent

: The establishment and availability of the Sukuk Wakalah Programme shall be subject to compliance of all conditions precedent (in each case in form and substance acceptable to the Joint Lead Arrangers) including but not limited to the following:

Main Documentation

(1) The relevant Transaction Documents have been executed and where applicable, stamped or endorsed as exempted under Stamp Duty Exemption (No 23) Order 2000 and where applicable, presented for registration with the relevant authorities.

The Issuer and the Kafalah Provider

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

(2) Receipt of the respective certified true copy of the board of directors' resolutions of the Issuer and the Kafalah Provider authorising, amongst others, the execution of the Transaction Documents and the performance and carrying out of the transactions contemplated therein;

(3) receipt of the respective certified true copy each of the certificate of incorporation, constitutional documents and the latest Forms 24, 44 and 49 under the Companies Act 1965 (or the equivalent forms under the CA 2016) of each of the Issuer and the Kafalah Provider;

(4) receipt of the respective list of each of the Issuer's and Kafalah Provider's authorised signatories and their respective specimen signatures for the Sukuk Wakalah Programme; and

(5) receipt of the respective report of the relevant company search conducted with the Companies Commission of Malaysia ("**CCM**") and winding-up search on the Issuer and Kafalah Provider conducted with the office of the Director-General of Insolvency stating that each of the Issuer and Kafalah Provider is not wound up.

General

(6) Receipt of the legal due diligence report on the Issuer and legal due diligence opinion which shall be satisfactory to the Joint Lead Arrangers;

(7) evidence that all relevant fees, costs and expenses due and payable in connection with the Sukuk Wakalah Programme have been paid in full and/or any mutually agreed arrangement has been made between the Issuer and the respective transaction parties;

(8) evidence that the Sukuk Trustees' Reimbursement Account (as defined in the section entitled "*Other terms and conditions*") has been established and the deposit of at least RM100,000.00 or such other amount as prescribed by the SC has been made;

(9) evidence that all relevant information and documents as required under the LOLA Guidelines in respect of the Sukuk Wakalah Programme has been lodged with the SC;

(10) receipt of endorsement from the SC in respect of the Sukuk Wakalah Programme;

(11) receipt of a satisfactory legal opinion from the Solicitors addressed to the Joint Lead Arrangers and the Sukuk Trustee advising, amongst others, on the legality, validity and enforceability of the Transaction Documents and a written confirmation addressed to the Joint Lead Arrangers confirming that all the conditions precedent have been fulfilled or waived (if applicable);

(12) where required, satisfactory evidence that all consents/approvals from existing financiers, chargees, bank guarantors or assignees in connection with the establishment of the Sukuk Wakalah Programme have been obtained and remain valid; and

(13) such other conditions precedent as may be advised by the Solicitors and mutually agreed between the Joint Lead Arrangers, the Issuer and the Kafalah Provider.

The conditions precedent to each issuance of the Secured Sukuk Wakalah under

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

the Sukuk Wakalah Programme shall include but not limited to the following (in each case in form and substance acceptable to the Lead Manager(s) appointed for each issuance):

(1) Satisfactory completion and execution of the relevant Transaction Documents in respect of the Secured Sukuk Wakalah and duly endorsed as exempted under Stamp Duty Exemption (No. 23) Order 2000, and where relevant, presented for registration with the relevant authorities;

(2) evidence that the Designated Accounts have been opened in accordance with the provisions of the Transaction Documents;

(3) all relevant notices of assignment and acknowledgements thereto (where applicable) under the relevant Security Documents have been made or received, as the case may be, if applicable;

(4) evidence that the Statement of Particulars to be Lodged with Charge (as prescribed under the CA 2016) in respect of the relevant Transaction Documents have been lodged with the CCM, if applicable;

(5) receipt of evidence that the relevant Transaction Documents which contain a power of attorney clause have been presented to the High Court of Malaya for the registration of the power of attorney therein contained, if applicable;

(6) receipt of a certificate signed by an authorised signatory of the Issuer confirming the compliance with the Adjusted Security Cover;

(7) evidence that the consents and approvals required from any third party, if any, in connection with the issuance of such series of Secured Sukuk Wakalah and the creation of security interests in relation thereto, shall have been obtained and remain valid;

(8) where applicable, receipt of the redemption statement cum undertaking letter from the existing financier in respect of the existing facility which shall be redeemed from issue proceeds of the Sukuk Wakalah;

(9) The Security Parties

(i) receipt of the respective certified true copy each of the certificate of incorporation, constitutional documents and the latest Forms 24, 44 and 49 under the Companies Act 1965 (or the equivalent forms under the CA 2016) of each of the Security Parties.

(ii) certified true copy of board resolution(s) of each of the Security Parties authorising, amongst others, the provision of security in respect of the Sukuk Wakalah Programme and for each of the Security Parties to enter into and execute all relevant Security Documents.

(iii) a list of each of the Security Parties' authorised signatories and their respective specimen signatures.

(iv) a report of the relevant company search on each of the Security Parties.

(v) a report of the relevant winding-up search on each of the Security Parties which revealed that no winding-up order has been made against each of the Security Parties.

(10) receipt of a satisfactory legal opinion addressed to the Lead Manager(s) and

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

the Sukuk Trustee from the Solicitors with respect to, amongst others, the legality, validity and enforceability of the Security Documents and written confirmation on compliance of all conditions precedent to such issuance of Secured Sukuk Wakalah; and

(11) such other conditions precedent as may be advised by the Solicitors and mutually agreed between the Lead Manager(s) appointed for each issuance, the Issuer and the Kafalah Provider.

(25) Representations and warranties

Representations and warranties typical and customary for transaction of this nature which shall include but not limited to the following:

(1) Each of the Issuer and the Kafalah Provider is a company limited by shares and duly incorporated and validly existing under the laws of Malaysia, has full power to carry on its respective businesses and to own its respective properties and assets and has full beneficial ownership of all its assets;

(2) the constitutional documents of the Issuer and the Kafalah Provider incorporate provisions which authorise, and all necessary corporate and other relevant actions have been taken to authorise, and all relevant consents and approvals of any administrative, governmental or other authority or body in Malaysia have been duly obtained and are in full force and effect which are required to authorise, the Issuer and the Kafalah Provider to execute and deliver and perform the transactions contemplated in the Transaction Documents in accordance with their terms;

(3) the execution and delivery of any of the Transaction Documents or the performance of any of the transactions contemplated by the Transaction Documents will not or would not as at the date this representation and warranty is made or repeated:

(a) contravene or constitute a default under any provision contained in any agreement, instrument, law, ordinance, decree, judgment, order, rule, regulation, licence, permit or consent by which the Issuer and the Kafalah Provider or any of its assets is bound or which is applicable to the Issuer and the Kafalah Provider or any of its assets;

(b) cause any limitation on the Issuer and the Kafalah Provider or the powers of its directors, whether imposed by or contained in its constitutional documents or in any agreement, instrument, law, ordinance, decree, order, rule, regulation, judgment or otherwise, to be exceeded; or

(c) cause the creation or imposition of any security interest or restriction of any nature on any of the Issuer's and the Kafalah Provider's assets;

(4) each of the Transaction Documents is or will when executed and/or issued, as the case may be, be in full force and effect and constitutes, or will when executed or issued, as the case may be, constitute, valid and legally binding obligations of the Issuer and the Kafalah Provider enforceable in accordance with its terms;

(5) such other representations and warranties as may be advised by the Solicitors and agreed with the Issuer.

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (26) Events of defaults or enforcement events, where applicable, including recourse available to investors
- Including but not limited to the following dissolution events (collectively the “**Dissolution Events**” and each a “**Dissolution Event**”):
- (1) The Issuer or the Kafalah Provider (as the case may be) fails to pay any amount due from it under any of the Sukuk Wakalah or any of the Transaction Documents on the due date, or if so payable, on demand, and which such default has not been duly remedied within five (5) business days from such due date;
 - (2) there has been a breach of the relevant Adjusted Security Cover or the Shareholding Covenant (as defined in the section entitled “*Other terms and conditions*”) and such breach is not remedied within a period of 14 days from the date of such breach;
 - (3) any representation or warranty made or given by the Issuer or the Kafalah Provider or the Security Party (as the case may be) 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 Wakalah and/or any of the Transaction Documents proves to have been incorrect or misleading in a material respect on or as of the date made or given or deemed made or given, and in the case of a failure which in the opinion of the Sukuk Trustee is capable of being remedied, the Issuer or Kafalah Provider or the Security Party (as the case may be) does not remedy the failure within a period of thirty (30) days after the Issuer or Kafalah Provider or the Security Party (as the case may be) became aware or having been notified in writing by the Sukuk Trustee of the failure, whichever is earlier;
 - (4) the Issuer, the Kafalah Provider or the Security Party (as the case may be) fails to observe or perform any of its obligations under any of the Transaction Documents or the Sukuk Wakalah or under any undertaking or arrangement entered into in connection therewith other than an obligation of the type referred to in paragraph 28 (1) and (2) above, and in the case of a failure which in the opinion of the Sukuk Trustee is capable of being remedied, the Issuer or Kafalah Provider (as the case may be) does not remedy the failure within a period of thirty (30) days after the Issuer, the Kafalah Provider or the Security Party (as the case may be) became aware or having been notified in writing by the Sukuk Trustee of the failure, whichever is earlier;
 - (5) there has been a breach by the Issuer, the Kafalah Provider or the Security Party (as the case may be) of any obligation under any of the existing contractual obligations of the Issuer, the Kafalah Provider or the Security Party (as the case may be) which may have a Material Adverse Effect (as defined in the section entitled “*Other terms and conditions*”) and, if in the opinion of the Sukuk Trustee of which the breach is capable of being remedied, has not been remedied within a period of thirty (30) days after the Issuer, Kafalah Provider or the Security Party (as the case may be) became aware or having been notified in writing by the Sukuk Trustee of the breach, whichever is earlier;
 - (6) any indebtedness for borrowed monies / financing of the Issuer or the Kafalah Provider (as the case may be) becomes due or payable prior to its maturity or any guarantee or similar obligations of the Issuer or the Kafalah Provider (as the case may be) is not discharged at maturity or when called and such declaration of indebtedness being due or payable or such call on the guarantee or similar obligations is not discharged by the Issuer or the Kafalah Provider (as the case

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

may be) within thirty (30) days from the date of such declaration or call, or the Issuer or the Kafalah Provider (as the case may be) goes into default under, or commits a breach of, any agreement or instrument relating to any such indebtedness, guarantee or other similar obligations, or any security created to secure such indebtedness becomes enforceable, provided that (i) it shall not be a Dissolution Event if such indebtedness is disputed in good faith by the Issuer or the Kafalah Provider (as the case may be) in a court of competent jurisdiction within thirty (30) days from the date of such declaration or call and such dispute is resolved in favour of the Issuer or the Kafalah Provider (as the case may be) within ninety (90) days from the date of such declaration or call;

(7) an encumbrancer takes possession of, or a trustee, receiver, receiver and manager or similar officer is appointed, or distress, legal process, sequestration or any form of execution is levied or enforced against any of the undertaking, assets, rights or revenues of the Issuer, the Kafalah Provider or the Security Party (as the case may be) to recover any indebtedness for borrowed monies / financing obligation of the Issuer or the Kafalah Provider provided that it shall not be a Dissolution Event if such enforcement is disputed in good faith by the Issuer, the Kafalah Provider or the Security Party (as the case may be) in a court of competent jurisdiction within thirty (30) days from the date of such enforcement and such dispute is resolved in favour of the Issuer or Kafalah Provider or the Security Party (as the case may be) within ninety (90) days from the date of such enforcement;

(8) the Issuer, the Kafalah Provider or the Security Party (as the case may be) fails to satisfy any judgement granted against it by any court of competent jurisdiction and no appeal against such judgement has been made to any appropriate appellate court within the time prescribed by law provided that it shall not be a Dissolution Event if:

(a) such judgment is appealed by the Issuer, the Kafalah Provider or Security Party (as the case may be) in any appropriate appellate court and such appeal is resolved in favour of the Issuer, Kafalah Provider or the Security Party (as the case may be) within ninety (90) days from the date of the filing of the appeal; or

(b) such judgment has not or will not have a Material Adverse Effect;

(9) any step is taken for the winding up, dissolution or liquidation of the Issuer, the Kafalah Provider or the Security Party (as the case may be) or a resolution is passed for the winding up of the Issuer, the Kafalah Provider, or the Security Party (as the case may be) or a petition for winding up is presented against the Issuer, the Kafalah Provider, or the Security Party (as the case may be) (other than for the purposes of and followed by a reconstruction previously approved in writing by the Sukuk Trustee unless during or following such reconstruction the Issuer, Kafalah Provider or Security Party (as the case may be) becomes or is declared to be insolvent) and the Issuer, the Kafalah Provider or the Security Party (as the case may be) has not taken any action in good faith to set aside such petition within thirty (30) days from the date of service of such winding up petition or a winding up order has been made against the Issuer, the Kafalah Provider or the Security Party (as the case may be);

(10) the Issuer or the Kafalah Provider or the Security Party (as the case may be) convenes a meeting of its creditors or proposes or makes any arrangement including any scheme of arrangement or composition or begins negotiations with

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

its creditors, or takes any proceedings or other steps, with a view to a rescheduling or deferral of all or any part of its indebtedness or a moratorium is agreed or declared by a court of competent jurisdiction in respect of or affecting all or any part of its indebtedness or any assignment for the benefit of its creditors or where a scheme of arrangement under Section 366 of the CA 2016 or any other corporate rescue mechanism under the CA 2016 has been instituted or entered into by or against the Issuer and/or Kafalah Provider or the Security Party (other than for the purposes of and followed by a reconstruction previously approved in writing by the Sukuk Trustee, unless during or following such reconstruction it becomes or is declared to be insolvent);

(11) where there is a revocation, withholding, invalidation or modification of any licence, authorisation, approval or consent required by the Issuer, the Kafalah Provider or the Security Parties (as the case may be) to carry on its business as conducted as at the date of the Trust Deed, which in the reasonable opinion of the Sukuk Trustee may have a Material Adverse Effect, or which impairs or prejudices the ability of the Issuer or the Kafalah Provider or the Security Party (as the case may be) to comply with the terms and conditions of the Sukuk Wakalah and the Transaction Documents;

(12) any creditor of the Issuer or the Kafalah Provider or the Security Party (as the case may be) exercises a contractual right to take over the financial management of the Issuer or Kafalah Provider or the Security Party (as the case may be) and such event in the opinion of the Sukuk Trustee may have a Material Adverse Effect;

(13) the Issuer or the Kafalah Provider (as the case may be) changes or threatens to change the nature or scope of its business, or suspends or threatens to suspend or cease or threatens to cease the operation of its business which it now conducts directly or indirectly and such change or suspension or cessation in the reasonable opinion of the Sukuk Trustee may have a Material Adverse Effect;

(14) the Issuer or the Kafalah Provider or the Security Party (as the case may be) repudiates any of the Transaction Documents or the Issuer or the Kafalah Provider or the Security Party (as the case may be) does or causes to be done any act or thing evidencing an intention to repudiate any of the Transaction Documents;

(15) any of the assets, undertakings, rights or revenue of the Issuer or the Kafalah Provider or the Security Party (as the case may be) are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any governmental body which in the reasonable opinion of the Sukuk Trustee may have a Material Adverse Effect; or

(16) such other dissolution events as may be advised by the Solicitors and agreed with the Issuer.

Upon the occurrence of any of the above Dissolution Events, the Sukuk Trustee may, at its discretion, or shall (if so directed to do so by a special resolution of the Sukukholder(s) of the relevant series) declare (by giving written notice to the Issuer) that a Dissolution Event in respect of such series has occurred and all amount outstanding under the Sukuk Wakalah of such series shall be accelerated and immediately become due and payable, and the Security Agent is entitled to enforce its rights under the relevant Transaction Documents and on the Issue Security (including on the guarantee by the Kafalah Provider).

Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

Pursuant to the Purchase Undertaking, the Issuer as Obligor shall purchase the Sukukholders' undivided and proportionate beneficial interest in the Shariah-compliant Business at the relevant Exercise Price. Upon full payment of all amounts due and payable under the Sukuk Wakalah, the relevant trust in respect of the Trust Assets will be dissolved and the relevant Sukuk Wakalah held by the Sukukholders will be cancelled.

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

- (27) Governing laws : Laws of Malaysia
- (28) Provisions on buy-back, if applicable : The Issuer or its subsidiaries or agent(s) of the Issuer may at any time purchase the Sukuk Wakalah at any price in the open market or by private treaty, but these purchased Sukuk Wakalah shall be cancelled and cannot be resold.
- Any Sukuk Wakalah purchased by the Interested Persons or related corporations (which are not the Issuer's subsidiaries) need not be cancelled but shall not entitle them to participate in the voting of any Sukukholders' resolution nor form part of the quorum of any meeting (subject to the exemptions provided for in the SC's Trust Deeds Guidelines).
- (29) Provisions on early redemption, if applicable : No provision on early redemption
- (30) Voting : All matters / resolutions which require the Sukukholders' consent / approval under the Sukuk Wakalah Programme shall be carried out on a "per series" basis. Where any particular decision or consent affects a particular series, then only Sukukholders for such series shall vote.
- "series" shall mean, in relation to any Sukuk Wakalah, such Sukuk Wakalah with the same issue date. For the avoidance of doubt, each series may comprise one or more tranches.
- "tranche" shall mean, in relation to any Sukuk Wakalah, such Sukuk Wakalah with the same issue date and same Scheduled Dissolution Date, consisting of the same terms and conditions and where applicable, sharing the same security (in respect of Secured Sukuk Wakalah).
- (31) Permitted investments, if applicable : Permitted Investments shall mean:-
- (i) Shariah-compliant short term money market instruments;
 - (ii) Shariah-compliant securities issued and/or guaranteed by the Government of Malaysia; and
 - (iii) Shariah-compliant deposits with any bank licensed pursuant to the Financial Services Act, 2013 / Islamic Financial Services Act, 2013 or development financial institution under the Development Financial Institution Act, 2002 (as amended from time to time), and having a long-term rating of at least AA3 or AA- and short-term rating of P1 or MARC-1 as determined by RAM Rating Services Berhad or Malaysian Rating Corporation Berhad, respectively,
- provided that the Permitted Investments shall mature no later than five (5) business days before any payment obligations are due and payable.
- (32) Ta'widh (for ringgit-denominated sukuk) : In the event the Issuer as the Investment Wakeel breaches its fiduciary duty as an investment wakeel due to its failure to distribute any realised Periodic Distributions,

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions

and/or the Issuer as the Obligor/Buyer delays or fails to pay any amounts due and payable to the Sukukholders under any sale agreement pursuant to the exercise of the Purchase Undertaking and/or the Deferred Sale Price, the Issuer as the Investment Wakeel and/or the Obligor/Buyer shall pay to the Sukuk Trustee (acting on behalf of the Sukukholders) Ta`widh (compensation) on such delay or failure in payments at the rate and in the manner prescribed by the Shariah Advisory Council of the SC from time to time.

Any compensation referred to above which is paid to the Sukukholders can be treated and/or utilised by the Sukukholders at their absolute discretion in accordance with or determined by their respective Shariah requirements, which may include donation to any registered charitable organisation or for any charitable purposes.

(33) Ibra' (for ringgit-denominated sukuk) : Ibra' (where applicable) shall be granted by the Sukukholders. The Sukukholders in subscribing to or purchasing the Sukuk Wakalah hereby consent to grant such Ibra' (if any) on the Deferred Sale Price if the Sukuk Wakalah is redeemed before the Scheduled Dissolution Date or upon the Dissolution Declaration Date.

Ibra' refers to an act of releasing absolutely or conditionally Sukukholders' rights and claims on any obligation against the Issuer which would result in the latter being discharged of its obligations or liabilities towards the former. The release may be either partially or in full. With respect to the Commodity Murabahah Investment portion of the Wakalah Investments, Ibra' refers to the release of rights on debts/amounts due and payable under the said contract.

Ibra' for redemption upon the Dissolution Declaration Date shall be calculated from the Dissolution Declaration Date up to the Sukuk Wakalah's respective Scheduled Dissolution Dates.

For the avoidance of doubt, Ibra' will be applicable to the Commodity Murabahah Investment portion of the Wakalah Investments, i.e. the Deferred Sale Price only.

For the avoidance of doubt, any double counting shall be disregarded.

(34) Kafalah (for ringgit-denominated sukuk) : Please refer to the section above entitled "*Details of guarantee, if applicable*".

(35) Waivers from complying with Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and other relevant guidelines of the SC obtained for the facility/programme, if any : Not applicable

Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd)

Unrated senior Islamic medium term note issuance programme of RM500.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme)

Principal Terms and Conditions
