

**PROPOSED ESTABLISHMENT OF ISLAMIC MEDIUM TERM NOTES (“SUKUK MURABAHAH”)
PROGRAMME OF UP TO RM4.5 BILLION IN NOMINAL VALUE (“SUKUK MURABAHAH PROGRAMME”)**

| OTHER TERMS AND CONDITIONS | | |
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| a) | Profit/coupon/rental rate | The Sukuk Murabahah will be issued on fixed profit rate to be mutually agreed between the Issuer and the JLMs prior to each issuance of Sukuk Murabahah. |
| b) | Profit/coupon/rental payment frequency | Semi-annual intervals or such other periodic intervals to be mutually agreed between the Issuer and the JLMs prior to each issuance of Sukuk Murabahah. |
| c) | Profit/coupon/rental payment basis | The profit payments shall be calculated on an actual number of days based on 365-day basis. |
| d) | Purposes of Utilisation | <p>The Sukuk Murabahah Programme shall be utilised by the Issuer for the following Shariah-compliant purposes:</p> <p>(a) to repay amounts owing from the Issuer to TBEI pursuant to the Turnkey Contract; and</p> <p>(b) to pay fees, expenses, costs, and all other amounts payable in relation to the Sukuk Murabahah Programme.</p> <p>Notes:</p> <p>In relation to paragraph (a) above, part of the amount owing from the Issuer to TBEI will be repaid by way of issuance of Sukuk Murabahah to the holders of the TBEI Outstanding IMTNs of up to Ringgit Malaysia Three Billion and Five Million (RM3,005,000,000.00) in consideration of which the holders of the TBEI Outstanding IMTNs shall surrender their TBEI Outstanding IMTNs to TBEI for cancellation. For the avoidance of doubt, the first issuance of the Sukuk Murabahah shall be without cash proceeds. For the remaining amount owing from the Issuer to TBEI, TBEI shall in turn use the cash proceeds received from the Issuer arising from the subsequent issuance(s) of the Sukuk Murabahah for purposes of repayment and settlement of its Senior Loan Facilities.</p> <p>The purpose of utilisation under paragraph (b) above is not applicable to the first issuance of the Sukuk Murabahah.</p> <p>For the avoidance of doubt, the utilisation of the proceeds of the Sukuk Murabahah Programme shall at all times be for Shariah-compliant purposes only.</p> |
| e) | Sukuk Trustees' Reimbursement Account for Sukukholders' Actions | The Issuer shall set up, or procure the setting up of a “Sukuk Trustees' Reimbursement Account” with a financial institution with a sum of RM100,000.00 to be deposited by the Issuer prior to the first issue date of the Sukuk Murabahah (which shall be maintained at all times throughout the tenure of the Sukuk Murabahah Programme). The said account shall be opened by |

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| | | the Issuer or the Sukuk Trustee and solely operated by the Sukuk Trustee and the money shall only be used strictly by the Sukuk Trustee in carrying out its duties in relation to the occurrence of an Event of Default which are to be provided in the relevant Financing Documents. Any unutilised money in the Sukuk Trustees' Reimbursement Account shall be returned to the Issuer upon expiry of the Sukuk Murabahah Programme. | |
| f) | Costs and Expenses | All legal fees, stamp duties (if any) and reasonable expenses incurred in connection with the Sukuk Murabahah Programme, including professional fees and fees payable to the SC, where applicable, shall be for the account of the Issuer. | |
| g) | Status | The Sukuk Murabahah issued under the Sukuk Murabahah Programme shall constitute direct, unsubordinated, unconditional and secured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without discrimination, preference, priority amongst themselves and at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law. | |
| h) | Redemption | Unless previously redeemed, purchased and cancelled, the Sukuk Murabahah shall be redeemed at their respective nominal value on the maturity date. | |
| i) | Purchase and cancellation | <p>The Issuer, its subsidiaries or agent acting on behalf of 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 and resold.</p> <p>Subject to the foregoing, the related corporation(s) of the Issuer may at any time purchase the Sukuk Murabahah at any price in the open market or by private treaty and such Sukuk Murabahah purchased need not be cancelled but shall not be counted for the purposes of voting in a meeting of the Sukukholders.</p> | |
| j) | Form of Denomination | <p><u>Form</u></p> <p>The Sukuk Murabahah shall be issued in accordance with (1) the Participation and Operation Rules for Payments and Securities Services issued by PayNet ("PayNet Rules") and (2) the Operational Procedures for Securities Services and the Operational Procedures for Real Time Electronic Transfer of Funds and Securities (RENTAS) (collectively the "PayNet Procedures"), or their replacement thereof applicable from time to time (collectively the "PayNet Rules and Procedures").</p> <p>The issuance of Sukuk Murabahah shall be in accordance with PayNet Rules and Procedures applicable from time to time unless waived (where applicable) and will be issued through Real Time Electronic Transfer of Funds and Securities ("RENTAS").</p> <p>The Sukuk Murabahah shall be represented by global certificate to be deposited with BNM and shall be in bearer form. No physical delivery of the Sukuk Murabahah is permitted.</p> | |

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| | | <p><u>Denomination</u></p> <p>The denomination of the Sukuk Murabahah shall be Ringgit Malaysia One Thousand (RM1,000.00) or in multiples of Ringgit Malaysia One Thousand (RM1,000.00) thereof or such other denominations as may be allowed by BNM at the time of issuance.</p> |
| k) | Taxation | <p>All payments by the Issuer shall be made free and clear of all levies, withholdings or deductions of whatever nature and of any tax, whether it be of a withholding nature or otherwise. In the event any such amounts are required to be deducted from any payment, such payment shall be grossed-up. Any stamp duty, levy or other form of charges applied by Malaysia or any of its agencies shall be for the account of the Issuer.</p> |
| l) | Jurisdiction | <p>The Issuer shall unconditionally and irrevocably submit to the non-exclusive jurisdictions of the courts of Malaysia.</p> |
| m) | Conditions Subsequent | <p>Unless waived by the Sukuk Trustee, compliance of all conditions subsequent no later than six (6) months from the first issuance date of the Sukuk Murabahah under the Sukuk Murabahah Programme, including but not limited to the conditions subsequent set out below (save and except for item (h)), and other applicable conditions (to be agreed with the Issuer), to the satisfaction of the Sukuk Trustee:</p> <ul style="list-style-type: none"> (a) the CS Security Documents have been executed, dated and, where applicable, stamped or endorsed as exempted from stamp duty under the Stamp Duty Exemption (No. 23) Order 2000 (as amended by Stamp Duty (Exemption) (No.3) (Amendment) Order 2005), presented for registration with the relevant registries, and effected on the date of the first issuance of the Sukuk Murabahah under the Sukuk Murabahah Programme; (b) all relevant notices and acknowledgements and, where applicable, consents from the relevant counterparties to the Project Documents which are to be assigned shall have been made or received, as the case may be; (c) the documentation in respect of the release and re-assignment of the existing assignments and the discharge of the existing first charges/debentures in respect of the Existing TBEI Financings have been executed, dated and, where applicable, stamped or endorsed as exempted from stamp duty under the Stamp Duty Exemption (No. 23) Order 2000 as amended by the Stamp Duty (Exemption) (No. 3) (Amendment) Order 2005, and effected on the date of the first issuance of the Sukuk Murabahah under the Sukuk Murabahah Programme; (d) evidence that the Statements of Particulars to be Lodged with Charge (as prescribed under the Companies Act), where applicable, in respect of the charges created |

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| | | <p>pursuant to the CS Security Documents (for the purpose of registration of such charges with the Companies Commission of Malaysia in accordance with Section 352 of the Companies Act) have been duly lodged with the Companies Commission of Malaysia;</p> <p>(e) documentary evidence that the Security Trustee has been named as loss payee in respect of such Takaful/Insurances to be assigned to the Security Trustee and that the certified true copies of the policy documents in respect of the Takaful/Insurances have been deposited with the Security Trustee;</p> <p>(f) letter of confirmation from TBEI addressed to the Security Trustee confirming that the payment obligations in respect of the amount of Ringgit Malaysia Three Billion and Five Million (RM3,005,000,000.00) owing from the Issuer to TBEI under the Turnkey Contract have been satisfied/extinguished/cancelled accordingly;</p> <p>(g) documentary evidence that TBEI has been removed from the list of insured and/or loss payee(s) under the Takaful/Insurances;</p> <p>(h) unless waived by the Sukuk Trustee, the Issuer shall deliver to the Sukuk Trustee no later than (i) twenty four (24) months from the date of first issuance of the Sukuk Murabahah under the Sukuk Murabahah Programme (or such other period as may be agreed by the Sukuk Trustee), or (ii) five (5) business days from the date of conclusion of the arbitration against the New Coal Jetty EPC Contractor, whichever is earlier, evidence satisfactory to the Sukuk Trustee that the notice of assignment in respect of the engineering, procurement and construction contract dated 9 June 2017 for the new coal unloading jetty at the Power Facility, has been issued to the New Coal Jetty EPC Contractor;</p> <p>(i) legal opinion from the legal counsel addressed to the JLAs and the Sukuk Trustee advising the legality, validity and enforceability of the CS Security Documents and confirming that all the conditions subsequent have been fulfilled or waived, as the case may be; and</p> <p>(j) such other conditions subsequent as advised by the legal counsel and mutually acceptable to Issuer and the JLAs.</p> | |
| n) | Mandatory Prepayment | <p>In the event that the Issuer receives any termination payments from TNB pursuant to the PPA ("Compensation for Prepayment"), the Issuer shall, apply an amount equivalent to such Compensation for Prepayment in prepayment of the principal amounts outstanding under the Sukuk Murabahah Programme and the Senior Loan Facilities and the costs of termination of the hedging arrangement in relation to the Senior Loan Facilities;</p> | |

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| | | <p>If the Issuer receives any proceeds from the Takaful/Insurances, which have been paid in respect of physical loss or damage to the assets (an "Insured Event") where the proceeds of all claims received in respect of a single Insured Event are in aggregate greater than or equal to Ringgit Malaysia Seven Hundred million (RM700,000,000), the Issuer shall apply such proceeds for the purpose of the prepayment of the principal amount outstanding under the USD Term Loan Facility, the RM Term Loan Facility and the Sukuk Murabahah Programme in the following manner:-</p> <ul style="list-style-type: none"> (a) to be applied on a pro-rata basis among each of the USD Term Loan Facility, the RM Term Loan Facility and the Sukuk Murabahah Programme based on the amounts outstanding thereunder; (b) in respect of the USD Term Loan Facility and the RM Term Loan Facility, to be used to prepay the total principal amounts outstanding rateably across all repayment installments under each facility on the immediately following interest payment date; and (c) in respect of the Sukuk Murabahah Programme, to be used to partially redeem the Sukuk Murabahah under the Sukuk Murabahah Programme on a pro-rata basis on the amount outstanding in accordance with the Trust Deed. | |
| o) | Other Conditions | The Sukuk Murabahah shall at all times be governed by the guidelines issued and to be issued from time to time by the SC, BNM and/or any other authority in Malaysia having jurisdiction over matters pertaining to the Sukuk Murabahah. | |
| p) | Definitions | | |
| | “Cash Flow Available for Finance Service or CFAFS” | <p>means, in any given period, the sum of:</p> <ul style="list-style-type: none"> (a) all income received by the Issuer under the PPA or any other agreements; (b) profit earned on all cash accounts (including any FSRA (as defined above), MRA (as defined above), RA (as defined above) and other reserve accounts); (c) any loss of revenue Takaful/ insurance proceeds received, to the extent that such proceeds received are in excess of any amounts utilised, or to be utilised, for any costs of reinstatement or repairing the damaged property in question; and (d) all delay liquidated damages received by the Issuer or TBEI under the Project Documents, to the extent that such amounts compensate for loss of income of the Issuer or TBEI, as the case may be; | |

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| | | <p>Less:</p> <p>(i) the total amount paid by the Issuer or TBEI in relation to Takaful/ insurance, operations (except the Subordinated O&M Margin), maintenance, administration, management and overheads and fees;</p> <p>(ii) taxation, duties and working capital requirements of the Issuer and/ or TBEI;</p> <p>(iii) capital expenditure incurred (unless funded by Shareholders’ Equity Contribution or proceeds from the Sukuk Murabahah Programme); and</p> <p>(iv) other associated Sukuk Murabahah Programme costs (such as Sukuk Trustee, rating agency, ongoing technical/ environmental monitoring fees);</p> | |
| | “CS Documents” Security | <p>means collectively:</p> <p>(a) the TBE Assignment of Project Documents;</p> <p>(b) the TBE Assignment of Warranty Bonds;</p> <p>(c) the TBE Assignment of Takaful/Insurances;</p> <p>(d) the TBEI Assignment of Project Documents; and</p> <p>(e) the TBEI Assignment of Warranty Bonds;</p> | |
| | “Distribution FSCR (with Cash)” | <p>means, $(C + D + E) / (C + F)$ where:</p> <p>(a) C = the actual Senior Finance Service paid from and including the last principal and profit payment obligation date up to the day before the Restricted Payment Date;</p> <p>(b) D = the projected cash balances, being the aggregate of opening cash balances in the Designated Accounts (including any Permitted Investments) and the Qualified SBLC on the Restricted Payment Date;</p> <p>(c) E = the projected Cash Flow Available for Finance Service (net of the proposed Restricted Payments) on the Restricted Payment Date up to and including the next principal and profit payment obligation date; and</p> <p>(d) F = the projected aggregate Senior Finance Service due and payable from the Restricted Payment Date up to and including the next principal and profit payment obligation date.</p> <p>For the avoidance of doubt, in the event that the Restricted Payment Date is on the principal and profit payment obligation</p> | |

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| | | date, (i) E shall be the projected Cash Flow Available for Finance Service (net of the proposed Restricted Payments) on the Restricted Payment Date, and (ii) F shall be the projected aggregate Senior Finance Service due and payable on the Restricted Payment Date. |
| | “Existing Financings” TBEI | means collectively: (a) the Islamic medium term notes issued by TBEI under the Islamic principle of Tawarruq (Commodities Murabahah) of up to Ringgit Malaysia Four Billion and Five Hundred Million (RM4,500,000,000.00) (“ TBEI Sukuk Murabahah ”); and (b) the Senior Loan Facilities; |
| | “Finance Service Cover Ratio (with Cash) or FSCR (with Cash)” | means, on any Reporting Date, the ratio of A / B, where: (a) A = the aggregate of (i) the opening cash balance in the Designated Accounts and the Qualified SBLC, at the beginning of the twelve (12) month-period; and (ii) Cash Flow Available for Finance Service for the previous twelve (12) months net of Restricted Payment made for the previous twelve (12) months, and (b) B = Senior Finance Service for the previous twelve (12) months; |
| | “Finance Service Cover Ratio (without Cash) or FSCR (without Cash)” | means, on any given date, the ratio of A / B, where: (a) A = Cash Flow Available for Finance Service for the previous six (6) months, and (b) B = Senior Finance Service for the previous six (6) months, excluding the Sukuk Bullet Repayment, the RM Term Loan Bullet Repayment and the USD Term Loan Bullet Repayment; |
| | “Financing Documents” | means: (a) the trust deed; (b) the programme agreement; (c) the subscription agreement; (d) the relevant Islamic documents; (e) the securities lodgement form; (f) the Security Documents; (g) the security sharing agreement; and (h) any other agreements or documents which may be advised by the Solicitors and mutually agreed between the |

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| | | JPAAs/JLAs and the Issuer to be designated as a “Financing Document”; | | | | | | | | | | | | | | | | |
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| | “Generation Licence” | means the generation licence from the Energy Commission of Malaysia established under the Energy Commission Act 2001 and any successor thereof, which shall have been issued to the Issuer; | | | | | | | | | | | | | | | | |
| | “Lease Agreement” | means the lease agreement(s) in respect of the Project Site; | | | | | | | | | | | | | | | | |
| | “Material Adverse Effect” | <p>In respect of the Sukuk Murabahah Programme, means in relation to any event or circumstances the occurrence or effect of which has resulted in, or would reasonably result in a material adverse effect on:</p> <p>(a) the financial condition, business or operations of the Issuer or TBEI;</p> <p>(b) the Issuer’s or TBEI’s ability to perform its obligations under any provisions of the Financing Documents or the Project Documents to which it is a party;</p> <p>(c) TBEI’s ability to perform its obligations under any provisions of the financing documents in respect of the RM Term Loan Facility or the USD Term Loan Facility; or</p> <p>(d) the validity or enforceability of, or the effectiveness or ranking of any security granted or purporting to be granted for the Sukuk Murabahah pursuant to any of, the Financing Documents;</p> | | | | | | | | | | | | | | | | |
| | “New Coal Jetty Land” | <p>means all those parcels of lands held under the following:</p> <p>(a) H.S(D) 14674, PTD 2263; and</p> <p>(b) H.S(D) 14673, PTD 2264,</p> <p>both in Mukim Serkat, District of Pontian, State of Johor;</p> | | | | | | | | | | | | | | | | |
| | “New Sukuk Repayment Profile” | <p>means the repayment profile of subsequent issuance prior to the Sukuk Bullet Repayment and shall fulfil conditions as follows:</p> <p>The actual accumulated principal amount for the issuances maturing prior to the Sukuk Bullet Repayment shall not exceed the cumulative amount for the corresponding period shown in the table below.</p> <table><tr><th>Year</th><th>Cumulative Amount (in RM’million)</th></tr><tr><td>2023</td><td>100</td></tr><tr><td>2024</td><td>200</td></tr><tr><td>2025</td><td>300</td></tr><tr><td>2026</td><td>400</td></tr><tr><td>2027</td><td>500</td></tr><tr><td>2028</td><td>550</td></tr><tr><td>2029</td><td>600</td></tr></table> | Year | Cumulative Amount (in RM’million) | 2023 | 100 | 2024 | 200 | 2025 | 300 | 2026 | 400 | 2027 | 500 | 2028 | 550 | 2029 | 600 |
| Year | Cumulative Amount (in RM’million) | | | | | | | | | | | | | | | | | |
| 2023 | 100 | | | | | | | | | | | | | | | | | |
| 2024 | 200 | | | | | | | | | | | | | | | | | |
| 2025 | 300 | | | | | | | | | | | | | | | | | |
| 2026 | 400 | | | | | | | | | | | | | | | | | |
| 2027 | 500 | | | | | | | | | | | | | | | | | |
| 2028 | 550 | | | | | | | | | | | | | | | | | |
| 2029 | 600 | | | | | | | | | | | | | | | | | |

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| | | <table><tr><td>2030</td><td>700</td></tr><tr><td>2031</td><td>800</td></tr></table> <p>For the avoidance of doubt, the subsequent issuance shall refer to the issuance in relation to repayment of amounts owing from the Issuer to TBEI pursuant to the Turnkey Contract which will in turn be used by TBEI to repay and settle the Senior Loan Facilities including the associated costs.</p> | 2030 | 700 | 2031 | 800 |
| 2030 | 700 | | | | | |
| 2031 | 800 | | | | | |
| | “Warranty Bonds” | means collectively, all warranty bonds, warranty guarantees, performance bonds, maintenance bonds, performance guarantees, completion guarantees or such other form of warranties, bonds, guarantees or indemnities issued or to be issued in favour of the Issuer and/or TBEI in relation to the Project; | | | | |
| | “O&M Agreement” | means the operation and maintenance agreement dated 27 February 2012 entered into between the Issuer and Teknik Janakuasa Sdn Bhd and novated by Teknik Janakuasa Sdn Bhd to Malakoff Power Berhad pursuant to a deed of novation dated 18 January 2013 entered into between the Issuer, Teknik Janakuasa Sdn Bhd and Malakoff Power Berhad; | | | | |
| | “Permitted Indebtedness” | <p>means such indebtedness relating to:</p> <ul style="list-style-type: none">(a) any indebtedness in respect of any unsecured bank guarantee or standby letter of credit facility incurred in respect of operational purposes and any indebtedness in respect of any bank guarantee or standby letter of credit facility incurred in connection with the import of any equipment required for the Project, the aggregate principal amount of which does not at any time exceed Ringgit Malaysia Fifty Million (RM50,000,000.00) (or its equivalent in other currencies);(b) the Working Capital Facility;(c) any indebtedness in respect of the Subordinated Advances;(d) any other indebtedness (including short term indebtedness and indebtedness in respect of any hire purchase or leasing of any equipment or goods or vehicles) incurred or assumed by the Issuer for the purpose of the Project in respect of which the aggregate principal amount granted by the lenders, does not at any time exceed Ringgit Malaysia Fifty Million (RM50,000,000.00) (or its equivalent in other currencies);(e) any inter-company advances made between the Issuer and TBEI which is permitted pursuant to the Financing Documents; and(f) the Sukuk Murabahah issued under the Sukuk Murabahah Programme; and | | | | |

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| | | (g) the Perpetual Sukuk Wakalah, subject to the satisfaction of the Senior DE Ratio; |
| | “Perpetual Wakalah” Sukuk | means the unrated perpetual Islamic medium term notes issued or to be issued by the Issuer under the Shariah principle of <i>Wakalah Bi Al-Istithmar</i> of up to Ringgit Malaysia Eight Hundred Million (RM800,000,000.00) in nominal value; |
| | “Permitted Interests” Security | means: (a) any liens arising in the ordinary course of business by operation of law and not by way of contract; (b) any Security Interest created over specific assets being financed by hire purchase or leasing facilities up to the aggregate of Ringgit Malaysia Fifty Million (RM50,000,000.00); (c) any Security Interest created pursuant to the Project Documents; (d) any Security Interest created or to be created pursuant to or permitted under the Financing Documents; (e) any Security Interest created pursuant to the security documents in respect of the Existing TBEI Financings; and (f) any other Security Interest created with the written consent of the Sukuk Trustee; |
| | “Potential Event of Default” | means any event which (with the expiry of a grace period, the giving of notice, the making of any determination under the Financing Documents or any combination of the foregoing) would constitute an Event of Default; |
| | “Power Facility” | means the electricity generating facility located at the Project Site comprising a coal fired boiler and a steam turbine generator with a net capacity of 1,000 MW and ancillary equipment and facilities as more particularly defined in Appendix A of the PPA; |
| | “PPA” | means the power purchase agreement dated 2 December 2011 entered into between the Issuer and TNB, and includes any side letters, amendments, variations and/or supplementals made or entered into from time to time; |
| | “Project” | means the financing, design, engineering, procurement, construction, installation, testing, commissioning, ownership, operation and maintenance of the Power Facility, the Fuel Facilities (as defined in the PPA), the Site (as defined in the PPA), the Interconnection Facilities (as defined in the PPA) and associated facilities at Tanjung Bin, Johor, Malaysia and any Modification (as defined in the PPA) thereto; |
| | “Project Documents” | means collectively: |

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| | | <ul style="list-style-type: none"> (a) the PPA; (b) the coal supply and transportation agreement dated 2 December 2011 entered into between the Issuer and TNB Fuel Services; (c) the Turnkey Contract; (d) the engineering, procurement and construction contract dated 23 February 2012 entered into between TBEI as employer and Alstom Power Systems SA, Alstom Services Sdn Bhd, Shin Eversendai Engineering (M) Sdn Bhd and Mudajaya Corporation Berhad as contractors (collectively, “EPC Contractor”), and associated bonds and guarantees from or on behalf of the EPC Contractor; (e) the O&M Agreement; (f) the Shared Facilities Agreement; (g) the engineering, procurement and construction contract dated 9 June 2017 for the new coal unloading jetty at the Power Facility entered into between the Issuer as employer and Consortium HSL-TGE-GASB as contractor (“New Coal Jetty EPC Contractor”), and associated bonds from or on behalf of the New Coal Jetty EPC Contractor; (h) the Lease Agreement; (i) the Sub-Lease Agreement; (j) the Generation Licence; (k) the Takaful/Insurances; (l) the Warranty Bonds; and (m) any other agreement or document that is material to the Project as may be reasonably determined by the JLAs and agreed with the Issuer; | |
| | “Project Site” | means the parcel of land upon which the Project is constructed and located, as more specifically described in Appendix L of the PPA; | |
| | “Qualified SBLC” | means one or more unconditional, irrevocable and on-demand standby letter of credit issued by a licensed Islamic financial institution with a minimum long term rating of at least AA2 by RAM or AA by MARC or A- by Standard & Poors or A3 by Moody's or their respective equivalent and in each case acceptable to the Sukuk Trustee, procured by MCB, and issued in favour of the Security Trustee; | |

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| | “Refinancing SBLC” | means a Qualified SBLC to be maintained by the Issuer upon such terms as may be agreed and for an amount to be agreed. |
| | “Reporting Dates” | means 30 June and 31 December of the relevant year, and references to a “Reporting Date” means each or any one of them; |
| | “Required Amount” | <p>means an amount required for the projected Distribution FSCR (with Cash) to remain at 1.55 times at the date of the Sukuk Bullet Repayment, the RM Term Loan Bullet Repayment and the USD Term Loan Bullet Repayment, whereby:</p> <p>(a) in the case of the Sukuk Bullet Repayment and the USD Term Loan Bullet Repayment, the Required Amount shall be determined not earlier than one month prior to the date requiring the Refinancing SBLC (i.e. twenty four (24) months prior to the date of such relevant repayment). The Required Amount shall be recalculated one (1) year thereafter for the purpose of maintaining Refinancing SBLC twelve (12) months prior to the date of such relevant repayment; and</p> <p>(b) in the case of the RM Term Loan Bullet Repayment, the Required Amount shall be determined not earlier than one month prior to the date requiring the Refinancing SBLC (i.e. twelve (12) months prior to the date of such relevant repayment).</p> <p>Projected Distribution FSCR (with Cash) means, $(C + D + E) / (C + F)$ where:</p> <p>(i) C = the projected Senior Finance Service paid from and including the immediate preceding principal and profit payment obligation date up to the day before the date of such relevant repayment;</p> <p>(ii) D = the projected cash balances, being the aggregate of opening cash balances in the Designated Accounts (including any Permitted Investments) and the Qualified SBLC on the date of such relevant repayment;</p> <p>(iii) E = the projected Cash Flow Available for Finance Service (net of the projected Restricted Payments) on the date of such relevant repayment; and</p> <p>(iv) F = the projected aggregate Senior Finance Service due and payable on the date of such relevant repayment.</p> |
| | “Restricted Payment” | <p>means any payment by the Issuer of:</p> <p>(a) interest/profit or principal in relation to any Subordinated Advances;</p> <p>(b) any sum in relation to any dividend, distribution or any other payment, whether income or capital in nature, to its shareholders (including redemption of preference shares);</p> |

**PROPOSED ESTABLISHMENT OF ISLAMIC MEDIUM TERM NOTES (“SUKUK MURABAHAH”)
PROGRAMME OF UP TO RM4.5 BILLION IN NOMINAL VALUE (“SUKUK MURABAHAH PROGRAMME”)**

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| | | <p>(c) periodic distribution due and payable under the Perpetual Sukuk Wakalah; or</p> <p>(d) interest/profit or principal under the Working Capital Facility;</p> | |
| | “Restricted Payment Date” | means the date on which the Restricted Payment is to be made; | |
| | “RM Term Loan Bullet Repayment” | means the final repayment amount under the RM Term Loan Facility; | |
| | “RM Term Loan Facility” | <p>means collectively:</p> <p>(a) the term loan facility of up to the maximum aggregate amount of Ringgit Malaysia Seven Hundred Million (RM700,000,000.00) made or to be made available to TBEI; and</p> <p>(b) the hedging transactions under the hedging policy pursuant to the terms of the hedging agreements entered into by TBEI in respect of the term loan facility referred to in paragraph (a) above;</p> | |
| | “Security Parties” | means collectively, TBEI, MCB and any other party from time to time providing security to the Security Trustee as security for the Sukuk Murabahah Programme, and references to a “Security Party” means each or any one of them; | |
| | “Senior DE Ratio” | <p>means the ratio of A / B, where:</p> <p>(a) A = Senior Indebtedness;</p> <p>(b) B = Shareholders’ Equity Contribution of the Issuer;</p> | |
| | “Senior Finance Service” | <p>means the sum of interest, profit paid and principal payments in respect of the Sukuk Murabahah Programme and the Senior Loan Facilities, and net hedging settlements to senior hedging banks, but excluding any other costs associated to the Sukuk Murabahah Programme and the Senior Loan Facilities to the extent these are captured in the CFAFS definition.</p> <p>For the avoidance of doubt:</p> <p>(a) interest means the interest obligations of TBEI as hedged pursuant to the senior hedging policy (if applicable); and</p> <p>(b) principal repayments include the principal repayment obligations of TBEI as hedged against foreign currency risk pursuant to the senior hedging policy (if applicable);</p> | |
| | “Senior Indebtedness” | <p>means:</p> <p>(a) the outstanding principal obligations in relation to the Sukuk Murabahah Programme and the Senior Loan Facilities; and</p> | |

**PROPOSED ESTABLISHMENT OF ISLAMIC MEDIUM TERM NOTES (“SUKUK MURABAHAH”)
PROGRAMME OF UP TO RM4.5 BILLION IN NOMINAL VALUE (“SUKUK MURABAHAH PROGRAMME”)**

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| | | <p>(b) the outstanding principal obligations for the Permitted Indebtedness (excluding the Working Capital Facility and the Perpetual Sukuk Wakalah).</p> <p>For the avoidance of doubt, any double counting shall be disregarded;</p> | |
| | “Senior Loan Facilities” | <p>means collectively:</p> <p>(a) the RM Term Loan Facility; and</p> <p>(b) the USD Term Loan Facility;</p> | |
| | “Shared Facilities Agreement” | means the shared facilities agreement dated 27 February 2012 entered into between the Issuer and Tanjung Bin Power Sdn Bhd; | |
| | “Shareholders’ Equity Contribution” | <p>means the shareholders’ equity contribution comprising:</p> <p>(a) ordinary paid-up shares in the Issuer issued to its shareholder(s);</p> <p>(b) subordinated shareholders’ advances/loans to the Issuer; and</p> <p>(c) contributions/drawings under the Perpetual Sukuk Wakalah,</p> <p>subject to the satisfaction of the Senior DE Ratio;</p> | |
| | “Sub-Lease Agreement” | means the sub-lease agreement(s) in respect of the Project Site; | |
| | “Subordinated Advances” | means any advances and/or loans made by the Issuer’s directors, shareholders, related companies and/or associated companies to the Issuer which are for purposes of or in connection with the Project and to be unsecured and subordinated to the Sukuk Murabahah Programme; | |
| | “Subordinated O&M Margin” | means the incentive fee payable to the operator; | |
| | “Sukuk Bullet Repayment” | means the Sukuk Murabahah of Ringgit Malaysia Six Hundred and Fifty Million (RM650,000,000.00) maturing on 16 March 2032; | |
| | “Sukuk Maintenance Fees” | means all agency and trustee fees, rating fees, BNM fees and such other fees and expenses associated with the Sukuk Murabahah Programme; | |
| | “Takaful/Insurances” | means the Takaful contracts/insurances policies relating to the Project which are undertaken by, issued in favour of or for the benefit of the Issuer; | |
| | “TBEI Outstanding IMTNs” | means the outstanding Islamic medium term notes under the TBEI Sukuk Murabahah; | |

**PROPOSED ESTABLISHMENT OF ISLAMIC MEDIUM TERM NOTES (“SUKUK MURABAHAH”)
PROGRAMME OF UP TO RM4.5 BILLION IN NOMINAL VALUE (“SUKUK MURABAHAH PROGRAMME”)**

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| | “Transaction Documents” | means collectively, the Financing Documents and the Project Documents; |
| | “Turnkey Contract” | means the turnkey contract dated 23 February 2012 entered into between the Issuer and TBEI whereby TBEI will procure the execution of the Project on a turnkey basis and administer and manage the development of the Project on behalf of the Issuer; |
| | “USD Term Loan Bullet Repayment” | means the final repayment amount under the USD Term Loan Facility; |
| | “USD Term Loan Facility” | means collectively: (a) the term loan facility of up to the maximum aggregate amount of US Dollars Four Hundred Million (USD400,000,000.00) made or to be made available to TBEI; and (b) the hedging transactions under the hedging policy pursuant to the terms of the hedging agreements entered into by TBEI in respect of the term loan facility referred to in paragraph (a) above; and |
| | “Working Capital Facility” | means the working capital facility to be provided to the Issuer on an unsecured and subordinated basis of up to Ringgit Malaysia Fifty Million (RM50,000,000.00). |