

## Perbadanan Kemajuan Negeri Selangor ("PKNS" or "Issuer")

Islamic Medium Term Notes ("IMTNs") programme of up to RM3.0 billion in nominal value ("IMTN Programme") subject to a joint limit of RM3.0 billion in nominal value with Islamic Commercial Papers ("ICPs") Programme of up to RM1.0 billion in nominal value ("ICP Programme"), based on the Shariah principle of Murabahah (via Tawarruq arrangement). (The ICP Programme and IMTN Programme will be collectively referred to as "Sukuk Murabahah Programmes" and the ICPs and IMTNs will be collectively referred to as the "Sukuk Murabahah").

### Principal Terms and Conditions

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#### (A) CORPORATE INFORMATION OF ISSUER

- (1) Name : Perbadanan Kemajuan Negeri Selangor ("PKNS" or "Issuer")
- (2) Address : Bangunan Ibu Pejabat PKNS  
No. 2, Jalan Indah 14/8  
Seksyen 14, 40000 Shah Alam  
Selangor Darul Ehsan
- (3) Date of incorporation: 1 August 1964
- (4) Place of incorporation : Malaysia
- (5) Business registration number: Not applicable as PKNS is a statutory body incorporated under the Selangor State Development Corporation Enactment 1964 (the "Enactment")
- (6) Residence status : Resident Controlled Company
- (7) Place of listing : Not Listed
- (8) Date of listing : Not Listed
- (9) Principal activities : The Issuer's principal activities encompass the following:-
- (i) to promote residential, industrial and commercial development of areas in the State of Selangor ("Selangor State") designated for this purpose;
  - (ii) to do all such other matters and things necessary for the exercise or performance of all or any of the functions and duties of PKNS;
  - (iii) to act as a local authority in areas outside local authorities if so authorised in accordance with any written law;
  - (iv) to promote, stimulate, facilitate and undertake industrial, social, commercial

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and economic development and activities in Selangor State; and

(v) to promote, stimulate, facilitate and undertake agricultural development or housing development in Selangor State.

(10) Issued and paid-up : Not applicable as PKNS is a statutory body incorporated under the Enactment.  
share capital

(11) Structure of : Not applicable as PKNS is a statutory body incorporated under the Enactment.  
shareholdings and  
names of  
shareholders or, in  
the case of a public  
company, names of  
all substantial  
shareholders

(12) Board of directors :

No.	Name
1	Y.A.B. Dato' Seri Amirudin bin Shari
2	Y.B. Dato' Nor Azmie bin Diron
3	Y.B. Dato' Haji Haris bin Kasim
4	Y.B. Dato' Teng Chang Khim
5	Y.B. Puan Rodziah binti Ismail
6	Y.B. Tuan Ir. Izham bin Hashim
7	Y.Bhg. Datuk Haji Anwari bin Suri
8	Y.Brs. Dr. Sharifah Adlina Binti Syed Abdullah
9	Y.Bhg. Datuk Zainal Abidin bin Abu Hassan

Additional Notes:

PKNS is a statutory body incorporated under the Enactment. Its affairs are directed by its members. As at 31 March 2021, the composition of the members of PKNS

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("Members of PKNS" or "Members") are as herein.

(13) Disclosure of the :  
following

(i) If the issuer or : None.  
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 past ten  
years prior to  
the lodgement/  
since  
incorporation  
(for issuer  
incorporated  
less than ten  
years)

(ii) If the issuer has: Not applicable as the Issuer is not a listed company.  
been subjected  
to any action by  
the stock  
exchange for  
any breach of  
the listing  
requirements or  
rules issued by  
the stock  
exchange, for

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**Principal Terms and Conditions**

the past five  
years prior to  
the lodgement

**(B) PARTIES TO THE TRANSACTION**

**(a) Origination**

No.	Roles	Name of parties
1	Issuer	PKNS
2	Principal Adviser	AmInvestment Bank Berhad
3	Lead Arranger	AmInvestment Bank Berhad
4	Solicitors	Messrs. Albar & Partners, counsel for the Principal Adviser / Lead Arranger
5	Shariah Adviser	AmBank Islamic Berhad
6	Facility Agent	AmInvestment Bank Berhad
7	Sukuk Trustee	MTrustee Berhad
8	Credit Rating Agency	RAM Rating Services Berhad ("RAM Ratings")

**(b) At the point of distribution**

No.	Roles	Name of parties
1	Issuer	PKNS

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2	Lead Manager	AmlInvestment Bank Berhad (Sole lead manager for the first issuance) or AmlInvestment Bank Berhad and/or other financial institution(s) in the case issuance other than the first issuance as may be determined by PKNS
3	Facility Agent	AmlInvestment Bank Berhad
4	Central Depository	BNM
5	Paying Agent	BNM
6	Tender Panel Member	Persons to whom an issue of, or an offer or invitation to subscribe the Sukuk Murabahah are made would fall within Schedule 6 or Section 229(1)(b) of Capital Markets and Services Act 2007 ("CMSA"), Schedule 7 or Section 230(1)(b) of CMSA and Schedule 9 or Section 257(3) of CMSA.
7	Shariah Adviser	AmBank Islamic Berhad

**(c) After distribution**

No.	Roles	Name of parties
1	Issuer	PKNS
2	Principal Adviser	AmlInvestment Bank Berhad
3	Sukuk Trustee	MTrustee Berhad
4	Facility Agent	AmlInvestment Bank Berhad
5	Shariah Adviser	Ambank Islamic Berhad
6	Central Depository	BNM

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7	Paying Agent	BNM
8	Credit Rating Agency	RAM Ratings

#### (C) DETAILS OF FACILITY/PROGRAMME

- (1) Name of facility : Islamic Medium Term Notes ("IMTNs") programme of up to RM3.0 billion in nominal value ("IMTN Programme") subject to a joint limit of RM3.0 billion in nominal value with Islamic Commercial Papers ("ICPs") Programme of up to RM1.0 billion in nominal value ("ICP Programme"), based on the Shariah principle of Murabahah (via Tawarruq arrangement). (The ICP Programme and IMTN Programme will be collectively referred to as "Sukuk Murabahah Programmes" and the ICPs and IMTNs will be collectively referred to as the "Sukuk Murabahah").
- (2) One-time issue or programme : Programme
- (3) Shariah principles (for sukuk) : 1. Murabahah (via Tawarruq arrangement)
- (4) Facility description (for ringgit-denominated sukuk, to provide description as cleared by the SC) :  
The Sukuk Murabahah Programmes comprise of Sukuk Murabahah to be issued from time to time under the Shariah principle of Murabahah (via Tawarruq arrangement).  
The Sukuk Trustee, on behalf of the Sukukholders and PKNS will enter into an agency agreement ("Agency Agreement"), pursuant to which PKNS (in such capacity, the "Agent") is appointed as the agent of the Sukukholders for the purchase and sale of Commodities (as defined below).  
The Agent will then enter into a sub-agency agreement ("Sub-Agency Agreement") to appoint the Facility Agent as the sub-agent of the Sukukholders (in such capacity, the "Sub-Agent") for the purchase and sale of the Commodities under the Sukuk Murabahah Programmes.  
Pursuant to a commodity Murabahah master agreement ("Commodity Murabahah Master Agreement") to be entered into between PKNS (in such capacity, the "Purchaser"), the Agent, the Sub-Agent and the Sukuk Trustee, prior to the date on which the relevant series of the Sukuk Murabahah is issued, the Purchaser shall issue a purchase order ("Purchase Order") in relation to the said series to the Agent and the Sub-Agent. In the Purchase Order issued by the Purchaser, the

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Purchaser will request the Agent and the Sub-Agent to purchase the Commodities. The Purchaser will irrevocably undertake to purchase the Commodities from the Sukukholders via the Sub-Agent at the Deferred Sale Price (as defined below).

Based on the Purchase Order, the Sub-Agent (pursuant to a commodity trading participant purchase agreement ("CTP Purchase Agreement") entered into between the Sub-Agent and the commodity trading participant ("CTP")), will appoint the CTP to purchase the Commodities from the commodity vendor(s) in the Bursa Suq Al-Sila' commodity platform and/or other independent commodity brokers acceptable to the Shariah Adviser ("Commodity Seller"), which shall be identified prior to issuance of the Sukuk Murabahah, on a spot basis at a purchase price ("Purchase Price"), which shall be an amount equivalent to the Sukuk Murabahah proceeds.

The Purchase Price of the Commodities shall be in accordance with the asset pricing requirements stipulated under the LOLA Guidelines.

PKNS (acting as the Issuer) shall then issue Sukuk Murabahah to the Sukukholders to evidence the Sukukholders' ownership of the Commodities and all rights thereto (including all rights against the Purchaser under the Purchase Order) and subsequently once the Commodities are sold to the Purchaser, to evidence the Sukukholders' entitlement to receive the Deferred Sale Price.

The proceeds received from the Sukukholders shall be used to pay for the Purchase Price of the Commodities by the Sub-Agent to the Commodity Seller.

Thereafter, pursuant to the undertaking under the Purchase Order by the Purchaser, the Sub-Agent (acting on behalf of the Agent for the Sukukholders) shall sell the Commodities to the Purchaser under a sale and purchase agreement ("Sale and Purchase Agreement") at the Deferred Sale Price.

Upon completion of such purchase by the Purchaser, the Purchaser (pursuant to a commodity trading participant sale agreement ("CTP Sale Agreement") entered into between the Purchaser and the CTP) shall appoint the CTP to sell the Commodities to the commodity buyer(s) in the Bursa Suq al-Sila' commodity platform and/or other independent commodity brokers acceptable to the Shariah Adviser ("Commodity Buyer") on a spot basis for an amount equal to the Purchase Price. The CTP Sale Agreement will provide for the CTP to directly sell the Commodities to the Commodity Buyer upon notice by the Sub-Agent that the Sale and Purchase Agreement has been completed and executed and receipt of sale instruction from the Purchaser.

The Sukuk Murabahah may be issued with or without periodic profit payments ("Periodic Profit Payments") based on the Periodic Payment Rate (as defined below). For Sukuk Murabahah with Periodic Profit Payments, PKNS (in its capacity as the Purchaser) shall make Periodic Profit Payments forming part of the Deferred Sale Price to the Sukukholders during the tenure of the Sukuk Murabahah. The Periodic Profit Payments shall be calculated based on a profit rate to be agreed prior to each issuance of the Sukuk Murabahah and shall be payable semi-annually (in arrears) or such other frequency as may be agreed between the Issuer and the Lead Arranger. The Periodic Profit Payments shall be calculated on the

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basis of actual number of days elapsed and actual days (actual days/actual days).

For Sukuk Murabahah without Periodic Profit Payments, the Purchaser shall make a one-off lump sum payment on the maturity date which shall be equivalent to the Deferred Sale Price, to the Sukukholders.

Upon the respective maturity dates of the Sukuk Murabahah or upon the declaration of an event of default ("Event of Default"), whichever is the earlier, the Purchaser shall pay all amounts outstanding in respect of the Deferred Sale Price of the respective Sukuk Murabahah (subject to Ibra', if any) for the redemption of the Sukuk Murabahah whereupon the redeemed Sukuk Murabahah shall be cancelled.

- (5) Currency : Ringgit
- (6) Expected facility/ programme size : Up to MYR 3,000,000,000.00
- (7) Option to upsize (for programme) : Yes
- (8) Tenure of facility/ programme : Perpetual
- (9) Availability period for debt/ sukuk programme : IMTN Programme  
The IMTN Programme shall be made available for the period commencing on the date of fulfillment of the conditions precedent set out in the programme agreement.  
  
The first issuance of the Sukuk Murabahah under the Sukuk Murabahah Programmes shall be made within sixty (60) business days from the date of lodgement with the SC, or such other extended period as may be allowed by the SC.  
  
Tenure of the issue - IMTNs  
The IMTNs shall have tenures of at least one (1) year but not exceeding twenty (20) years, as the Issuer may select.
- (10) Clearing and settlement platform : Payments Network Malaysia Sdn Bhd ("PayNet")
- (11) Mode of issue : ☒ Private/direct placement  
☒ Bought deal  
☒ Book building



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- (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
  - ☒ Other-Selling Restrictions at Issuance The Sukuk Murabahah may not be offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Schedule 6 or Section 229(1)(b), Schedule 7 or Section 230(1)(b) read together with Schedule 9 or Section 257(3) of the CMSA, as may be replaced, substituted, amended or revised from time to time.
- (ii) After issuance:
- ☒ Part I of Schedule 6 of the CMSA
  - ☒ Read together with Schedule 9 of CMSA
  - ☒ Other-Selling Restrictions After Issuance The Sukuk Murabahah may not be offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Schedule 6 or Section 229(1)(b) read together with Schedule 9 or Section 257(3) of the CMSA.

Additional Notes:

- (13) Tradability and transferability : Size in Ringgit which are tradable and transferable:  
MYR 3,000,000,000.00  
Size in Ringgit which are non-tradable and non-transferable:  
Not applicable
- (14) Secured/combinatio : Unsecured  
n of unsecured and  
secured, if  
applicable
- (15) Details of guarantee,: Not guaranteed  
if applicable
- (16) Convertibility of : Non-convertible  
issuance and details  
of the convertability
- (17) Exchangeability of : Non-exchangeable  
issuance and details  
of the

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exchangeability

(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, details as follows:-

- i) The Issuer will meet all its duties and obligations under the Transaction Documents in all respects;
- ii) The Issuer will use its best efforts to pursue claims (if any) against third parties;
- iii) The Issuer will exercise reasonable diligence in carrying out its principal activities in a proper and efficient manner and in accordance with the requirements under the Enactment;
- iv) The Issuer will maintain adequate takaful/insurance in accordance with common industry practice;
- v) The Issuer will maintain its audited financial statements such that its audited financial statements represent fairly and give a true and fair view of its financial position and condition;
- vi) The Issuer will operate the Sukuk Murabahah Programmes at all times in compliance with the applicable guidelines issued and to be issued by the SC and/or other authorities having jurisdiction over matters pertaining to the Sukuk Murabahah Programmes from time to time;
- vii) The Issuer will, at all times, comply with all conditions imposed in the Ministry of Finance ("MOF") Approval (as defined in paragraph 35(xv) Other Terms and Conditions) and such other conditions imposed at any time and from time to time by governmental and/or regulatory bodies having jurisdiction over the Issuer (if any); and
- viii) Other covenants typical and customary for similar financing as advised by the Solicitors and agreed by the Issuer including such covenants as required under the Trust Deed Guidelines (as defined below).

### Negative covenants

Negative covenants, details as follows:-

- i) The Issuer will not change the nature or scope of its existing business;
- ii) The Issuer will not cancel, surrender, abandon or otherwise amend related

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licenses, grants or agreements in any way which has a Material Adverse Effect (as defined below);

iii) The Issuer will not take any step or action towards winding up of the Issuer or enter into any amalgamation, merger or reconstruction;

iv) The Issuer will not breach any of the requirements under the Enactment;

v) The Issuer will not enter into a transaction, whether directly or indirectly with interested persons (including a Member or persons connected with them) unless:-

(a) such transaction shall be on terms that are no less favourable to it than those which could have been obtained in a comparable transaction from persons who are not interested persons; and/or

(b) with respect to transactions involving an aggregate payment or value equal to or greater than Ringgit Malaysia Two Hundred and Seventy Million (RM270,000,000.00), it obtains certification from an independent adviser that the transaction is carried out on fair and reasonable terms;

PROVIDED that it certifies to the Sukuk Trustee that the transaction complies with paragraph v(a) and that it has received the certification referred to in paragraph v(b) (where applicable) and that the transaction has been approved by the Members of the Issuer or shareholders in a general meeting as the case may require.

vi) The Issuer will not make any loans or grant any credit or give any guarantee or indemnity to or for the benefit of any person or otherwise voluntarily assume any liability, whether actual or contingent, in respect of any obligations of any other person;

vii) The Issuer will not incur, assume, guarantee or permit to exist any indebtedness (including any overdraft or form of borrowing/financing from any other financial institutions) save and except for:

(a) short-term debt owing to a non-financial institution and payable on demand or maturing by its terms within twelve (12) months after the date on which it is originally incurred provided that no Event of Default has occurred and is subsisting; or

(b) such indebtedness which is regarded by the Issuer to be necessary for the normal course and conduct of its operations provided that no Event of Default has occurred and is subsisting and prior to the incurrence of such indebtedness, the Issuer shall have furnished to the Sukuk Trustee a certificate signed by its authorised signatory(ies) confirming that the incurrence of such indebtedness is in compliance with this paragraph (b); or

(c) such indebtedness has been disclosed to the Lead Arranger, the Facility Agent and the Sukuk Trustee prior to or as at the date of the trust deed for the Sukuk Murabahah Programmes.

viii) The Issuer will not permit to exist any mortgage, charge, pledge, lien, encumbrance or other security interest of any kind on its assets;

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ix) The Issuer will not sell, transfer, lease, encumber or otherwise dispose of or in any case cease to exercise control over, whether by single transaction or a number of transaction, related or not, the whole or a substantial part of the Issuer's assets, undertakings businesses or other assets save and except for sale, transfer, lease, encumbrance or disposal:-

(a) made in the ordinary course of business; or

(b) entered into between the Issuer and its wholly-owned subsidiary(ies) pursuant to any internal corporate restructuring exercise; or

(c) of assets for the sole purpose of facilitating Shariah principles governing Islamic financing facilities granted to the Issuer pursuant to which the Issuer has the right to re-acquire such assets, undertakings or businesses subject always to paragraph 20(vii) (Negative Covenants); and

x) Other covenants typical and customary for similar financing as may be advised by the Solicitors and agreed by the Issuer including such covenants as required under the Trust Deed Guidelines.

### Financial Covenants

No financial covenant

### Information Covenants

i) The Issuer will provide the Facility Agent/Sukuk Trustee with its audited financial statements within one hundred and eighty (180) days of the end of each financial year; and such other relevant information (financial) as the Facility Agent/Sukuk Trustee may reasonably require from time to time;

ii) The Issuer will notify the Facility Agent/Sukuk Trustee of any litigations or claims or other proceedings which have a Material Adverse Effect;

iii) The Issuer will notify the Facility Agent/ Sukuk Trustee in writing as soon as it becomes aware of any Events of Default; and

iv) Any other relevant information covenants as may be advised by the Solicitors and agreed by the Issuer.

(21) Details of : No designated account  
designated account,  
if applicable

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

No.	Credit rating agency	Credit rating	Final/ indicative rating	Name of Class/ Series/	Amount rated

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				Tranche	
1	RAM Rating Services Bhd (RAM)	AA3	Final rating	No.	MYR 3,000,000,000.00

- (23) Conditions precedent : To include but not limited to the following (in form and substance acceptable to the Lead Arranger):-
- i) PKNS shall have procured the relevant approval from the MOF as required under the Enactment with all conditions imposed therein (if any and where relevant) having been or will be fulfilled;
  - ii) Acknowledgement from the SC on the lodgement of the Lodgement Kit relating to the Sukuk Murabahah Programmes in accordance with the LOLA Guidelines;
  - iii) Receipt of the approval from any other authorities (other than that referred to in paragraph (i) above) having jurisdiction over matters pertaining to the Sukuk Murabahah Programmes, if required;
  - iv) The Issuer shall have obtained a minimum short term rating of P1 and a long term rating of AA3 from RAM Ratings for the ICP Programme and IMTN Programme, respectively;
  - v) Satisfactory legal due diligence as required under the CMSA;
  - vi) Documentary evidence that the Sukuk Murabahah Programmes and the Transaction Documents have received the endorsement and approval of the Shariah Adviser;
  - vii) Receipt of the Solicitors' confirmation on the following:
    - (a) the relevant Transaction Documents shall have been executed and duly stamped or endorsed as exempted from stamp duty (where applicable);
    - (b) the Transaction Documents are legally valid, binding and enforceable; and
    - (c) that all conditions precedent set out in the Transaction Documents have been fulfilled or waived, as the case may be.
  - viii) Receipt from the Issuer of the following:-
    - (a) certified true copies of the extracts of resolution(s) of the Finance Committee and Members of PKNS authorising, inter alia, the acceptance of the Sukuk Murabahah Programmes and execution of the Transaction Documents; and
    - (b) a list of the Issuer's authorised signatories and their respective specimen signatures.
  - ix) Evidence that all transaction fees, costs and expenses have been paid in full; and

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x) Such other conditions precedent typical and customary for similar financing as may be required by the Lead Arranger and/or as advised by the Solicitors and/or Shariah Adviser and agreed by the Issuer.

(24) Representations and warranties

To include but not limited to the following:-

- i) the Issuer is a corporation duly established under the Enactment and is validly existing;
- ii) the Issuer has the power to enter into, exercise its rights and perform its obligations under the Transaction Documents;
- iii) all necessary actions, authorizations and consents required under the Transaction Documents have been taken, fulfilled and obtained and remain in full force and effect;
- iv) the Issuer's entry into, exercise of its rights and performance of its obligations under the Transaction Documents do not and will not violate any existing law or agreements to which it is a party;
- v) the Transaction Documents create valid and binding obligations which are enforceable on and against the Issuer;
- vi) the Issuer's audited financial statements are prepared in accordance with generally accepted accounting principles and standards and they fairly represent the Issuer's financial position;
- vii) to the best of the Issuer's knowledge after due and careful enquiry, there is no litigation or arbitration in which the Issuer is currently involved and which have a Material Adverse Effect (as defined in paragraph 35(xv) Other Terms and Conditions below);
- viii) the Issuer is in compliance and will comply with the requirements under the Enactment and all other applicable laws and regulations; and
- ix) such other representations and warranties as may be advised by the Solicitors and agreed by the Issuer.

**Islamic Medium Term Notes ("IMTNs") programme of up to RM3.0 billion in nominal value ("IMTN Programme") subject to a joint limit of RM3.0 billion in nominal value with Islamic Commercial Papers ("ICPs") Programme of up to RM1.0 billion in nominal value ("ICP Programme"), based on the Shariah principle of Murabahah (via Tawarruq arrangement). (The ICP Programme and IMTN Programme will be collectively referred to as "Sukuk Murabahah Programmes" and the ICPs and IMTNs will be collectively referred to as the "Sukuk Murabahah").**

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- (25) Events of defaults or : enforcement events, where applicable, including recourse available to investors
- To include but not limited to the following:-
- i) The Issuer fails to pay any sum due under the Sukuk Murabahah and/or the Transaction Documents on the due date thereof and/or upon written demand by the Sukuk Trustee and such default is not remedied within seven (7) business days from the relevant due date;
  - ii) the Issuer commits any breach or omits to observe any of the obligations, undertakings or covenants expressed to be assumed by it under the Sukuk Murabahah Programmes or under any of the Transaction Documents (save and except item (i) above), which is not capable of being remedied or which, if being capable of a remedy, is not remedied within sixty (60) days after the Issuer becomes aware of such default or is not remedied within sixty (60) days after notice to the Issuer from the Sukuk Trustee requesting action to remedy the same, whichever is later;
  - iii) any indebtedness of the Issuer becomes due or capable of being declared due before its stated maturity, any guarantee or similar obligation of the Issuer is not discharged at maturity or when called or the Issuer defaults under, or commits a breach of, any instrument or agreement relating to any such indebtedness, guarantee or other similar obligation;
  - iv) any consent, authorization, licence, approval or registration with or declaration to governmental or public bodies or authorities or courts (if any) required by the Issuer to authorise or required by the Issuer in connection with the execution, issue, sale, delivery, validity, enforceability or admissibility in evidence of any of the Transaction Documents or the Sukuk Murabahah Programmes or the performance by the Issuer of its obligations under any of the Transaction Documents or the Sukuk Murabahah Programmes as the case may be, is modified or is not granted or is revoked or expired or is not renewed or otherwise ceases to be in full force and effect;
  - v) the Issuer changes the nature or scope of its business, suspends, ceases or threatens to suspend or cease (other than such cessation arising from or in connection with the permitted sale, transfer, lease or otherwise disposal envisaged under paragraph 20(ix) (Negative Covenants)) a substantial part of its business operations;
  - vi) the occurrence of any of the following events (not exhaustive):-
    - (a) an application (other than a frivolous or vexatious application or an application which is withdrawn or struck off or stayed within sixty (60) days from the date of its presentation) is made to a court or an order is made that the Issuer be wound up or any steps or action taken to wind up the Issuer other than for the purposes of a reconstruction or amalgamation which has been previously approved by the Sukuk Trustee provided that during or following such reconstruction or amalgamation the Issuer does not become or is not declared to be insolvent;
    - (b) a receiver, receiver and manager, liquidator, trustee or similar officer is appointed in respect of any part of the property of the Issuer and such appointment is not discharged within sixty (60) days;

**Islamic Medium Term Notes ("IMTNs") programme of up to RM3.0 billion in nominal value ("IMTN Programme") subject to a joint limit of RM3.0 billion in nominal value with Islamic Commercial Papers ("ICPs") Programme of up to RM1.0 billion in nominal value ("ICP Programme"), based on the Shariah principle of Murabahah (via Tawarruq arrangement). (The ICP Programme and IMTN Programme will be collectively referred to as "Sukuk Murabahah Programmes" and the ICPs and IMTNs will be collectively referred to as the "Sukuk Murabahah").**

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(c) the Issuer commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors (other than for the purposes of a reconstruction or amalgamation which has been previously approved by the Sukuk Trustee provided that during or following such reconstruction or amalgamation the Issuer does not become or is not declared to be insolvent); or

vii) such other events of default as may be advised by the Solicitors and agreed by the Issuer including such events of default as required under the Trust Deeds Guidelines (as defined herein).

If any of the above occurs, the Sukuk Trustee may, or if so directed by a Special Resolution (as defined below) passed by the Sukukholders, shall declare that all the Sukuk Murabahah shall be immediately due and payable, and the Sukuk Trustee is entitled to enforce its rights and remedies under the Transaction Documents including requiring the Issuer to pay the Redemption Amount (as defined below) in accordance with the terms of the Transaction Documents.

The expression "Special Resolution" shall mean a resolution passed at a meeting of the Sukukholders then outstanding and carried by a majority consisting of not less than three fourth (3/4) of all such Sukukholders voting thereat.



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- (26) Governing laws : The Laws of Malaysia
- (27) Provisions on buy-back, if applicable : The Issuer or any of its related corporations (within the meaning of the Companies Act 2016) may at any time acquire the Sukuk Murabahah on the open market or otherwise, at any price provided:
- (a) The Sukuk Murabahah so acquired by the Issuer and its subsidiaries must be surrendered for cancellation and cannot be resold or reissued;
- (b) If applicable, any Sukuk Murabahah acquired by the Issuer's related corporations (other than the Issuer's subsidiaries) need not be cancelled but shall not entitle such related corporations to participate in the voting of any Sukukholders' resolutions nor form part of the quorum of any meeting.
- (28) Provisions on early redemption, if applicable : No provision on early redemption
- (29) Voting : Voting by the Sukukholders shall be carried out as follows:-
- Prior upsizing
- All matters/resolutions which require the Sukukholders' consent/approval shall be carried out on a collective basis.
- Post upsizing
- All matters/resolutions which require the Sukukholders' consent/approval shall be carried out on a "per series" basis.
- "per series" shall mean, any Sukuk Murabahah with the same issue date, have the same tenure and bear the same stock code as generated by FAST.
- For the avoidance of doubt, the matters/resolutions referred to above are required to be deliberated/passed by the Sukukholders of each and every series of the Sukuk Murabahah such that if the said matter/resolution is not approved/passed by such Sukukholders of any one (1) series, then the same shall not be considered to have been approved/passed.
- (30) Permitted investments, if applicable : No permitted investments
- (31) Ta'widh (for ringgit-denominated sukuk) : In the event of delay in payment of the Deferred Sale Price under the Sukuk Murabahah, the Issuer (acting as the Purchaser) shall pay to the Sukuk Trustee for

Islamic Medium Term Notes ("IMTNs") programme of up to RM3.0 billion in nominal value ("IMTN Programme") subject to a joint limit of RM3.0 billion in nominal value with Islamic Commercial Papers ("ICPs") Programme of up to RM1.0 billion in nominal value ("ICP Programme"), based on the Shariah principle of Murabahah (via Tawarruq arrangement). (The ICP Programme and IMTN Programme will be collectively referred to as "Sukuk Murabahah Programmes" and the ICPs and IMTNs will be collectively referred to as the "Sukuk Murabahah").

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the benefit of the Sukukholders, Ta'widh (compensation) on such delay in payment at the rate and in the manner prescribed by the SAC of the SC from time to time.

Any Ta'widh (compensation) referred to above which is paid to the Sukukholders, can be treated and/or utilized by the Sukukholders at their absolute discretion in accordance with or as determined by their respective Shariah requirements, which may include donation to any registered charitable organization or for any charitable purposes.

(32) Ibra' (for ringgit-denominated sukuk) : Ibra' refers to an act of releasing absolutely or conditionally the 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 partial or in full. The Ibra' shall be subject to the requirements stipulated under the LOLA Guidelines.

An Ibra', where applicable, shall be granted by the Sukukholders. The Sukukholders in subscribing or purchasing the Sukuk Murabahah agree to grant Ibra', on the Deferred Sale Price, if the Sukuk Murabahah is redeemed upon the declaration of an Event of Default.

The Ibra' for redemption upon declaration of an Event of Default shall be calculated as follows:

(i) in the case of Sukuk Murabahah with Periodic Profit Payments and issued at a discount,

the aggregate of the unearned Periodic Profit Payments.

(ii) in the case of Sukuk Murabahah with Periodic Profit Payments and issued at par,

the aggregate of the unearned Periodic Profit Payments.

(iii) in the case of Sukuk Murabahah with Periodic Profit Payments issued at premium,

the aggregate of the unearned Periodic Profit Payments.

(iv) in the case of Sukuk Murabahah without Periodic Profit Payments issued at discount,

the unearned Discounted Amount.

The Ibra' in relation to the declaration of an Event of Default above shall be calculated from the date of declaration of an Event of Default up to the Sukuk Murabahah's respective maturity date(s).

The Issuer (acting as the Purchaser) shall pay the Redemption Amount (as defined below) on the date of the declaration of an Event of Default as determined by the Facility Agent pursuant to its obligation to pay the Deferred Sale Price.

"Redemption Amount" is the amount equivalent to the outstanding Deferred Sale Price less Ibra' (if any). For the avoidance of doubt, any double counting shall be

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disregarded.

(33) Kafalah (for ringgit-denominated sukuk) : Not applicable

(34) 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