

SEAPORT TERMINAL (JOHORE) SDN BHD

AN ISLAMIC MEDIUM TERM NOTES PROGRAMME OF RINGGIT MALAYSIA THREE BILLION FIVE HUNDRED MILLION (RM3,500,000,000.00) IN NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF MURABAHAH (VIA TAWARRUQ ARRANGEMENT)

Other terms and conditions

- (a) Details on The proceeds raised from the issuance of the IMTNs utilisation of under the IMTN Programme shall be utilised for the proceeds by the following Shariah-compliant purposes:
Issuer
- (1) up to Ringgit Malaysia Two Billion Seven Hundred Million (RM2,700,000,000.00) to refinance the Issuer's existing Islamic syndicated facility granted by RHB Islamic Bank Berhad and the Issuer's existing conventional syndicated facility granted by AmBank (M) Berhad;
 - (2) to finance the initial deposit to the Finance Service Reserve Account to meet the FSRA Minimum Required Balance;
 - (3) to finance the capital expenditure requirements and/or other general corporate purposes and/or investment of the Issuer which are Shariah-compliant; and
 - (4) to finance the capital expenditure requirements and/or other general corporate purposes and/or investment of the Issuer's related corporation(s) or the shareholder(s) of the Issuer's related corporation(s) which are Shariah-compliant.

For the avoidance of doubt, the proceeds from the issuance of the IMTNs under the IMTN Programme shall at all times be utilised for Shariah-compliant purposes only.

- (b) Form and Issuance of the Sukuk Murabahah shall be in Denomination accordance with:
- (1) the Participation Rules for Payments and Securities Services (as amended or modified or revised or substituted from time to time) issued by BNM or its successor-in-title, assigns or any successor in such capacity ("**BNM Rules**");
 - (2) the Operational Procedures for Securities Services (as amended or modified or revised or substituted from time to time) and the Operational Procedures for Malaysian Ringgit (MYR) Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS) (as amended or modified or revised

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or substituted from time to time) both issued by BNM or its successor-in-title, assigns or any successor in such capacity ("**BNM Procedures**"); and

- (3) any other procedures/guidelines/rules (as amended or modified or revised or substituted from time to time) issued by the relevant authorities from time to time.

Form

The Sukuk Murabahah shall be represented by a global certificate to be deposited with BNM and is exchangeable for definitive bearer certificates only in certain limited circumstances.

Denomination

The denomination of the Sukuk Murabahah shall be Ringgit Malaysia One Thousand (RM1,000.00) and in multiples of Ringgit Malaysia One Thousand (RM1,000.00) thereof or such other denomination as may be agreed between the Issuer and the Lead Arranger and the Lead Manager as may be allowed under the BNM Rules and the BNM Procedures.

- (c) Identified assets Shariah-compliant commodities, which may include but are 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 available through the Bursa Suq Al-Sila' and/or other independent commodity trading platforms acceptable to the Shariah Adviser which shall be identified from time to time, on or prior to the time of issuance of the Sukuk Murabahah.
- (d) Purchase and selling price/rental (where applicable) and **Purchase Price**
- The Purchase Price shall be determined prior to each issuance of the Sukuk Murabahah and shall be an amount equivalent to the proceeds raised from the issuance of the Sukuk Murabahah ("**Purchase Price**"). The Purchase Price shall be in compliance with the asset pricing requirements stipulated under the Guidelines on ICMPS.

Deferred Sale Price

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The Deferred Sale Price shall be determined prior to each issuance of the Sukuk Murabahah and shall be an amount equivalent to the Purchase Price plus the profit margin to be paid on a deferred payment basis ("**Deferred Sale Price**"). For the avoidance of doubt, the Deferred Sale Price shall be equal to the aggregate of the Periodic Profit Payments (if any) and 100% of the nominal value of the relevant Sukuk Murabahah.

In the event the Sukuk Murabahah is issued with Periodic Profit Payments where the floating rate is applicable, the Periodic Profit Payments shall be based on the Ceiling Rate (as defined herein) for calculation of the Deferred Sale Price.

- (e) Profit/ coupon/
rental payment
frequency
- The Periodic Profit Payments are payable on quarterly basis or such other periodic intervals in arrears to be determined and agreed in writing between the Issuer and the Facility Agent and/or the relevant qualified investors of the IMTNs prior to each issuance of the IMTNs, which shall commence on the issue date of such IMTNs and the last periodic profit payment date shall coincide with the maturity date of such IMTNs or the due date for the payment of such IMTNs, whichever is the earliest ("**Periodic Profit Payment Period**").

This section is not applicable for the IMTNs issued without Periodic Profit Payments.

- (f) Profit/ coupon/
rental payment
basis
- The Periodic Profit Payments shall be calculated on an actual number of days over three hundred and sixty five (365) days basis.

This section is not applicable for the IMTNs issued without Periodic Profit Payments.

- (g) Profit/ coupon/
rental payment
rate
- The IMTNs may be issued with or without Periodic Profit Payments. The Periodic Profit Rate for the IMTNs issued with Periodic Profit Payments may be at fixed or floating rate and shall be determined prior to each issuance of the IMTNs.

"**Periodic Profit Rate**" in relation to the IMTNs issued with Periodic Profit Payments, means the profit rate per annum for each tranche of the IMTNs which shall be determined prior to each issuance of such IMTNs.

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In relation to the IMTNs issued with Periodic Profit Payments where the Periodic Profit Rate is on a floating rate basis, the Periodic Profit Payments shall be based on an agreed one-time ceiling rate to be determined and agreed prior to each issuance of such IMTNs (“**Ceiling Rate**”) for calculation of the Deferred Sale Price. Notwithstanding the Ceiling Rate, the Periodic Profit Payments shall be paid based on the actual floating profit rate (which shall be the applicable actual floating rate for the relevant Periodic Profit Payment Period (as defined herein) determined in accordance with the periodic profit payment basis agreed prior to the issuance of such IMTNs and as set out in the relevant Transaction Documents multiplied by the nominal value of the relevant outstanding IMTNs) (“**Effective Rate**”). For the avoidance of doubt, the Effective Rate shall not in any event exceed the Ceiling Rate.

The Periodic Profit Rate shall not be applicable for the IMTNs issued without Periodic Profit Payments.

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| (h) | Tenure of the IMTN Programme | Twelve (12) years from the first issue date of the IMTNs under the IMTN Programme. |
| (i) | Tenure of the IMTNs | Each IMTNs shall have a tenure of at least one (1) year and up to twelve (12) years from the issue date, provided always that the maturity of each tranche of the IMTNs does not extend beyond the tenure of the IMTN Programme. |
| (j) | Listing status and types of listing, where applicable | The IMTNs are not and will not be listed on Bursa Malaysia or any other stock exchanges. |
| (k) | Issue price | The IMTNs will be issued at par or such other amount to be determined and agreed prior to each issuance of the IMTNs. The issue price shall be calculated in accordance with the BNM Rules and the BNM Procedures. |
| (l) | Status | The payment obligations of the Issuer under the Transaction Documents shall constitute direct, unconditional, secured and unsubordinated obligations of the Issuer and shall at all times rank pari passu, without discrimination, preference or priority amongst |

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themselves and at least rank pari passu with all other present and future unconditional, unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law applying to companies generally.

- (m) Transaction Documents
- Such documentation which shall include, amongst others, the following:
- (1) the Programme Agreement;
 - (2) the Trust Deed;
 - (3) the securities lodgement form for central securities depository and paying agency services;
 - (4) the Islamic transaction documents in relation to the Murabahah (via Tawarruq arrangement) transaction;
 - (5) the security documents in relation to the Sukuk Murabahah Programmes;
 - (6) the irrevocable and unconditional letter of undertaking from MMC Corp for, amongst others, creation of negative pledge over the shares held by MMC Corp in MMC Port Holdings and Malakoff Corporation Berhad (Registration No. 200601011818 (731568-V)) (“**MCB**”);
 - (7) the irrevocable and unconditional letter of undertaking from Anglo-Oriental (Annuities) Sdn Bhd (Registration No. 197101000318 (10663-W)) (“**AOA**”) for, amongst others, creation of negative pledge over the shares held by AOA in MCB and Gas Malaysia Berhad (Registration No. 199201008906 (240409-T));
 - (8) the irrevocable and unconditional letter of undertaking from the Issuer to channel all cash distributions from its subsidiaries and associates in the form of dividend, repayment of advances, capital repayment and other expected income (including but not limited to periodic distribution income) into the Escrow Account (as defined herein); and

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- (9) any other relevant documents to be executed in connection with the Sukuk Murabahah Programmes.
- (n) Taxation All payments by the Issuer under any of the Transaction Documents and the Sukuk Murabahah shall be paid without set-off or counter claim and shall be made in full without any withholding or deduction for or on account of any present or future tax, duty or charge of whatsoever nature imposed or levied by or on behalf of the Government of Malaysia or any other applicable jurisdiction or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.
- The Issuer shall be required to gross up in connection with such withholding or deduction so that the payee would receive the full amount which the payee would have received if no such withholding or deduction is made.
- (o) Sukuk Trustee's Reimbursement Account The Issuer or where applicable the Sukuk Trustee (on behalf of the Issuer) shall open and maintain a Shariah-compliant account designated as "**Sukuk Trustee's Reimbursement Account**" with a sum of Ringgit Malaysia One Hundred Thousand (RM100,000.00) deposited therein by the Issuer wherein this sum of money shall be maintained at all times by the Issuer throughout the tenure of the Sukuk Murabahah Programmes and so long as any of the Sukuk Murabahah shall remain outstanding. In the event that the amount standing to the credit of the Sukuk Trustee's Reimbursement Account falls below Ringgit Malaysia One Hundred Thousand (RM100,000.00) at any time during the tenure of the Sukuk Murabahah Programmes and any of the Sukuk Murabahah remain outstanding, the Issuer shall immediately remit such amount into the Sukuk Trustee's Reimbursement Account to maintain the balance in the Sukuk Trustee's Reimbursement Account at Ringgit Malaysia One Hundred Thousand (RM100,000.00). The Sukuk Trustee's Reimbursement Account shall be operated solely by the Sukuk Trustee and the monies therein shall only be used strictly by the Sukuk Trustee for the purpose of carrying out its duties in relation to the occurrence of an Event of Default or enforcement which are provided in the Trust Deed.

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Any unutilised money in the Sukuk Trustee's Reimbursement Account shall be returned to the Issuer upon the cancellation and/or termination of the Sukuk Murabahah Programmes or the expiry of the Sukuk Murabahah Programmes and the full redemption of the Sukuk Murabahah issued thereunder, provided always that no Event of Default has occurred and is continuing and there are no other amounts due under the Transaction Documents.

(p) Conditions subsequent

The Sukuk Murabahah Programmes shall be subject to compliance of all of the following conditions subsequent to the satisfaction of the Sukuk Trustee (unless waived by the Sukukholders by an extraordinary resolution) within thirty (30) calendar days from the date of the first issuance of the IMTNs under the IMTN Programme (unless extended by the Sukukholders by an extraordinary resolution):

- (1) the Memorandum of Deposit shall have been duly executed by the respective parties thereto and endorsed as exempted from stamp duty under the Stamp Duty (Exemption) (No. 23) Order 2000 [P.U.(A)241/2000] (as amended by the Stamp Duty (Exemption) (No. 3) (Amendment) Order 2005 [P.U.(A)313/2005]);
- (2) the Memorandum of Deposit shall have been presented to the High Court of Malaya for the registration of the power of attorney therein contained;
- (3) the Statement of Particulars to be lodged with Charge (as prescribed under the Companies Act) in respect of the Memorandum of Deposit shall have been duly completed and executed for the purpose of registration of such charge with the Companies Commission of Malaysia in accordance with Section 352 of the Companies Act and shall have been lodged with the Companies Commission of Malaysia;
- (4) all the issued and fully paid-up shares in MMC Corp owned by the Issuer shall have been transferred into the securities account maintained and created by the Security Trustee;

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- (5) legal opinion from the Solicitors addressed to the Sukuk Trustee advising with respect to, amongst others, the legality, validity and enforceability of the Memorandum of Deposit and written confirmation from the Solicitors addressed to the Sukuk Trustee confirming that all the relevant conditions subsequent have been fulfilled or otherwise waived by the Sukukholders by an extraordinary resolution, as the case may be;
- (6) evidence that the Designated Accounts shall have been opened and maintained with CIMB Islamic Bank Berhad in accordance with the provisions of the Assignment and Charge over Designated Accounts and a certified true copy of the Issuer's board of directors' resolution in relation to the opening and maintenance of the Designated Accounts;
- (7) the notice of assignment under the Assignment and Charge over Designated Accounts shall have been issued by the Issuer to CIMB Islamic Bank Berhad and the acknowledgement and, where applicable, consent thereto shall have been acknowledged and returned by CIMB Islamic Bank Berhad to the Security Trustee; and
- (8) such other conditions subsequent as may be required by the Lead Arranger and/or the relevant qualified investors of the Sukuk Murabahah and/or advised by the Solicitors.

The Sukuk Murabahah Programmes shall be subject to compliance of the following condition subsequent to the satisfaction of the Sukuk Trustee (unless waived by the Sukukholders by an extraordinary resolution) no later than thirty (30) calendar days prior to the payment due date of the first Periodic Profit Payment (unless extended by the Sukukholders by an extraordinary resolution):

- (1) the initial deposit of the FSRA Minimum Required Balance to meet the first Periodic Profit Payment shall have been deposited in the Finance Service Reserve Account.

The Sukuk Murabahah Programmes shall be subject to compliance of all of the following conditions subsequent

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to the satisfaction of the Sukuk Trustee (unless waived by the Sukukholders by an extraordinary resolution) within ninety (90) calendar days from the date of the first issuance of the IMTNs under the IMTN Programme (unless extended by the Sukukholders by an extraordinary resolution):

- (1) the Land Charge (over the lands to be charged which do not require approvals and consents from the relevant state authority) shall have been duly executed by the respective parties thereto and endorsed as exempted from stamp duty under the Stamp Duty (Exemption) (No. 23) Order 2000 [P.U.(A)241/2000] (as amended by the Stamp Duty (Exemption) (No. 3) (Amendment) Order 2005 [P.U.(A)313/2005]);
- (2) the Statement of Particulars to be lodged with Charge (as prescribed under the Companies Act) in respect of the Land Charge (over the lands to be charged which do not require approvals and consents from the relevant state authority) shall have been duly completed and executed for the purpose of registration of such charge with the Companies Commission of Malaysia in accordance with Section 352 of the Companies Act and shall have been lodged with the Companies Commission of Malaysia;
- (3) receipt of satisfactory result of the land search conducted on the lands to be charged under the Land Charge which do not require approvals and consents from the relevant state authority;
- (4) the Land Charge (over the lands to be charged which do not require approvals and consents from the relevant state authority) shall have been presented to the relevant land authority(ies) for registration;
- (5) legal opinion from the Solicitors addressed to the Sukuk Trustee advising with respect to, amongst others, the legality, validity and enforceability of the Land Charge (over the lands to be charged which do not require approvals and consents from the relevant state authority) and written confirmation from the Solicitors addressed to the Sukuk Trustee confirming that all the relevant

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conditions subsequent have been fulfilled or otherwise waived by the Sukukholders by an extraordinary resolution, as the case may be; and

- (6) such other conditions subsequent as may be required by the Lead Arranger and/or the relevant qualified investors of the Sukuk Murabahah and/or advised by the Solicitors.

The Sukuk Murabahah Programmes shall be subject to compliance of all of the following conditions subsequent to the satisfaction of the Sukuk Trustee (unless waived by the Sukukholders by an extraordinary resolution) within one hundred eighty (180) calendar days from the date of the first issuance of the IMTNs under the IMTN Programme (unless extended by the Sukukholders by an extraordinary resolution):

- (1) the Land Charge (over the lands to be charged which require approvals and consents from the relevant state authority) shall have been duly executed by the respective parties thereto and endorsed as exempted from stamp duty under the Stamp Duty (Exemption) (No. 23) Order 2000 [P.U.(A)241/2000] (as amended by the Stamp Duty (Exemption) (No. 3) (Amendment) Order 2005 [P.U.(A)313/2005]);
- (2) the Statement of Particulars to be lodged with Charge (as prescribed under the Companies Act) in respect of the Land Charge (over the lands to be charged which require approvals and consents from the relevant state authority) shall have been duly completed and executed for the purpose of registration of such charge with the Companies Commission of Malaysia in accordance with Section 352 of the Companies Act and shall have been lodged with the Companies Commission of Malaysia;
- (3) receipt of satisfactory result of the land search conducted on the lands to be charged under the Land Charge which require approvals and consents from the relevant state authority;
- (4) the Land Charge (over the lands to be charged which require approvals and consents from the

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relevant state authority) shall have been presented to the relevant land authority(ies) for registration;

(5) legal opinion from the Solicitors addressed to the Sukuk Trustee advising with respect to, amongst others, the legality, validity and enforceability of the Land Charge (over the lands to be charged which require approvals and consents from the relevant state authority) and written confirmation from the Solicitors addressed to the Sukuk Trustee confirming that all the relevant conditions subsequent have been fulfilled or otherwise waived by the Sukukholders by an extraordinary resolution, as the case may be; and

(6) such other conditions subsequent as may be required by the Lead Arranger and/or the relevant qualified investors of the Sukuk Murabahah and/or advised by the Solicitors.

(q) Security Cover Ratio The Issuer shall maintain and procure to maintain a Security Cover Ratio of at least zero point five (0.5) times.

“Security Cover Ratio” means the ratio of the total value in Ringgit Malaysia (based on the prevailing open market value) of the lands charged under the Land Charge divided by the outstanding amount of the Sukuk Murabahah.

The Issuer shall obtain desktop/ indicative valuation from approved valuer(s) on an annual basis to determine the open market value of the lands charged under the Land Charge in order to compute the Security Cover Ratio.

In the event the Security Cover Ratio falls below zero point five (0.5) times, the Issuer shall furnish additional security acceptable to the Sukukholders within sixty (60) calendar days from the date the written notice is provided to the Issuer on the breach of the Security Cover Ratio, failing which the outstanding amount of the Sukuk Murabahah shall be reduced accordingly so that the Security Cover Ratio of at least zero point five (0.5) times is maintained.

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For the avoidance of doubt, there shall be no release of the lands charged under the Land Charge and no release of any additional security in favour of the Security Trustee notwithstanding the Security Cover Ratio is more than zero point five (0.5) times.

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| (r) | Costs and Expenses | All legal fees, stamp duties (if any) and expenses incurred in connection with the Sukuk Murabahah Programmes, including professional due diligence fees and fees payable to the Central Securities Depository, the Paying Agent and the SC, where applicable, shall be for the account of the Issuer and on a full indemnity basis. |
| (s) | Jurisdiction | The parties shall irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Malaysia. |
| (t) | 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 and/or BNM having jurisdiction over matters pertaining to the Sukuk Murabahah. |

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