

**CENVIRO SDN BHD (REGISTRATION NO. 199601003359 (375705-V))**

**UNRATED ISLAMIC MEDIUM TERM NOTES (“SUKUK WAKALAH”) PROGRAMME OF UP TO RM1.0 BILLION (UPSIZED FROM RM500.0 MILLION) IN NOMINAL VALUE, BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR (“SUKUK WAKALAH PROGRAMME”)**

**Other terms and conditions**

**(1) Details on utilisation of proceeds** : The proceeds raised from the issuance of Sukuk Wakalah under the Sukuk Wakalah Programme shall be utilised by the Cenviro Group for the following Shariah-compliant purposes:

- (i) capital expenditure;
- (ii) refinancing of financing/borrowing facilities;
- (iii) working capital;
- (iv) general corporate purposes; and/or
- (v) defraying fees, costs and expenses in relation to the issuance of the Sukuk Wakalah and the Sukuk Wakalah Programme.

For issuance of Sukuk Wakalah under a Sustainability Framework, the utilisation of the proceeds thereof shall be subject further to the requirements set out in the applicable Sustainability Framework under which such Sukuk Wakalah are issued.

For issuance of Sustainability-Linked Sukuk Wakalah, the proceeds are to be utilised in accordance to the utilisation of proceeds stated from (i) to (v) above and to support the Issuer Group’s environmental, social and governance (“**ESG**”) objectives which will be measured against the predefined KPIs and SPTs as stipulated in the Issuer’s Sustainability-Linked framework based on SLBP.

**(2) Status** : **Unsecured Sukuk Wakalah**

The Unsecured Sukuk Wakalah, pursuant to the relevant Transaction Documents, issued under the Sukuk Wakalah Programme shall constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer under the laws of Malaysia and shall at all times, rank *pari passu*, without discrimination, preference, priority amongst themselves and at least *pari passu* with all other present and future direct, unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law and the Transaction Documents.

### **Secured Sukuk Wakalah**

The Secured Sukuk Wakalah shall constitute direct, unsubordinated, unconditional and secured (to the extent of the security provided) obligations of the Issuer under the laws of Malaysia and shall at all times, rank *pari passu* without discrimination, priority or preference amongst themselves and at least *pari passu* with all its other present and future direct, unsecured and unsubordinated obligations of the Issuer, subject to those preferred by laws and the Transaction Documents.

- (3) **Tenure** : The tenure of each Sukuk Wakalah to be issued under the Sukuk Wakalah Programme shall be at least one (1) year and up to twenty (20) years from the date of the issuance, as the Issuer may elect and agree with the Lead Manager, provided always that the maturity date of any of the Sukuk Wakalah shall not fall after the expiry of the Sukuk Wakalah Programme.
- (4) **Issue Price** : The Sukuk Wakalah shall be issued at par, at a premium or at a discount to the nominal value (to be determined prior to each issuance) and the issue price shall be calculated in accordance with the relevant rules and procedures of BNM ("**BNM Rules and Procedures**").
- (5) **Identified asset or Trust asset** : **Identified Asset**
- (i) Shariah-compliant Business; and
  - (ii) Shariah-compliant commodities to be transacted under the Commodity Murabahah Investment 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 traded through the Commodity Supplier ("**Commodities**").

"**Trust Assets**" shall comprise of:

- (i) the Sukuk Proceeds;
- (ii) the Wakalah Investments (which shall comprise investment in the Shariah-compliant Business and the Commodity Murabahah Investment); and
- (iii) the rights, title, interest, entitlement and benefit in, to and under the Transaction Documents.

The ownership of the identified Shariah-compliant Business allocated for the relevant Wakalah Investments shall be based on pro rata basis which refers to joint ownership over an asset or business on undivided and proportionate basis. Thus, entitling the

Sukukholder(s) to the share of income in the identified Shariah-compliant Business based on their proportionate ownership.

(6) **Purchase and selling price/rental, where applicable - compliance with asset pricing requirements** : **Purchase Price**

The Purchase Price shall be determined prior to each issuance of the Sukuk Wakalah and shall be equivalent to such remaining balance of the Sukuk Proceeds raised from the issuance of the relevant Sukuk Wakalah after investment into the Shariah-compliant Business. The Purchase Price shall be in accordance with the asset pricing requirements stipulated under the Guidelines on ICMPs.

**Deferred Sale Price**

The Deferred Sale Price shall be determined prior to each issuance of the Sukuk Wakalah and shall comprise the Purchase Price plus the aggregate profit margin of the relevant Sukuk Wakalah payable on a deferred payment basis and will be determined from time to time, prior to each sale of the Commodities to the Buyer. For avoidance of doubt, in the case of Sukuk Wakalah issued on floating rate basis, the profit margin should be calculated based on the Ceiling Rate.

(7) **Profit / coupon / rental rate** : The Sukuk Wakalah may be issued with or without Periodic Distributions.

For the Sukuk Wakalah with Periodic Distributions, the expected profit rate(s) ("**Periodic Distribution Rate**") for such Sukuk Wakalah can be on fixed or floating rate basis to be determined and agreed between the Issuer and the Lead Manager prior to each issuance of the Sukuk Wakalah.

The Expected Periodic Distribution Amount on any relevant Periodic Distribution Date is calculated at the Periodic Distribution Rate on the outstanding nominal value of the relevant Sukuk Wakalah based on the basis of the actual number of days over 365 days in the relevant period.

In respect of the Sukuk Wakalah with Periodic Distributions and issued on floating rate basis, the Periodic Distributions shall be calculated based on the Effective Rate which shall not in any event exceed the Ceiling Rate. *Ibra'* shall be granted in the event that the Effective Rate is lower than the Ceiling Rate.

Not applicable for Sukuk Wakalah without Periodic Distributions.

In respect of Sustainability-Linked Sukuk Wakalah, the Periodic Distribution Rate may be adjusted upon the Issuer meeting the KPIs and/or SPTs as set out in the relevant Transaction Documents

in relation to the issuance of such Sustainability-Linked Sukuk Wakalah.

In respect of Sustainability-Linked Sukuk Wakalah issued on fixed rate basis, the initial Periodic Distribution Rate (“**Initial Rate**”) will be adjusted (“**Adjusted Rate**”) upon the Issuer meeting the KPIs and/or SPTs. In respect of Sustainability-Linked Sukuk Wakalah issued on floating rate basis, the initial Effective Rate will be adjusted upon the Issuer meeting the KPIs and/or SPTs. *Ibra*’ shall be granted in such events.

“**Effective Rate**” means the actual floating rate(s) which shall be the applicable actual floating rate(s) for the relevant periodic distribution period determined in accordance with the basis agreed prior to the issuance of the Sukuk Wakalah and as set out in the Transaction Documents.

“**Ceiling Rate**” means the agreed ceiling rate to be determined and agreed between the Issuer and the Lead Manager prior to the date of issuance of Sukuk Wakalah.

- (8) **Profit / coupon / rental payment frequency** : In relation to Sukuk Wakalah with Periodic Distributions
- Payable at semi-annual intervals or such other periodic intervals to be mutually agreed between the Issuer and the Lead Manager prior to each issuance of Sukuk Wakalah and will be set out in the relevant Transaction Documents. The Periodic Distributions shall be distributed on the last date of each profit period (each a “**Periodic Distribution Date**”).
- In relation to Sukuk Wakalah without Periodic Distribution
- Not applicable.
- (9) **Profit / coupon / rental payment basis** : (i) In relation to Sukuk Wakalah with Periodic Distributions
- Actual number of days / 365-days basis.
- (ii) In relation to Sukuk Wakalah without Periodic Distribution
- Not applicable.
- (10) **Dissolution Distribution Amount** : **On the Scheduled Dissolution Date:**
- (a) in the case of Sukuk Wakalah with Periodic Distributions
- the Dissolution Distribution Amount shall be equivalent to:
- (i) the outstanding nominal value of the Sukuk Wakalah; plus

- (ii) the accrued but unpaid Expected Periodic Distribution Amount (if any), accrued up to the Scheduled Dissolution Date and shall be calculated in accordance with the BNM Rules and Procedures.
- (b) in the case of Sukuk Wakalah without Periodic Distributions  
the Dissolution Distribution Amount shall be equivalent to the nominal value of the Sukuk Wakalah.

**On the Dissolution Declaration Date:**

- (a) in the case of Sukuk Wakalah with Periodic Distributions  
the Dissolution Distribution Amount shall be equivalent to:
  - (i) the outstanding nominal value of the Sukuk Wakalah; plus
  - (ii) the accrued but unpaid Expected Periodic Distribution Amount (if any), accrued up to the Dissolution Declaration Date.
- (b) in the case of Sukuk Wakalah without Periodic Distributions  
the Dissolution Distribution Amount shall be equivalent to the accreted value of the Sukuk Wakalah.

**On the Early Redemption Date:**

The Dissolution Distribution Amount shall be mutually agreed between the Issuer and the relevant Sukukholders by special resolution prior to such Early Redemption Date.

- (11) Redemption at maturity** : Unless previously redeemed, purchased and cancelled, the Sukuk Wakalah shall be redeemed at their respective nominal value on the Scheduled Dissolution Date.
- (12) Taxation** : All payments by the Issuer under any of the Transaction Documents and the Sukuk Wakalah shall be made without set-off or counter claim and shall be made in full without withholding or deductions 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 other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which event the Issuer shall be required to make such additional amount so that the payee would receive the full amount which the payee would have received if no such withholding or deductions were made.

- (13) **Sukuk Trustee's Reimbursement Account for Sukukholders' Actions** : The Issuer shall, or the Sukuk Trustee shall, on behalf of the Issuer, set up a Shariah-compliant account known as "Sukuk Trustee's Reimbursement Account for Sukukholders' Actions" ("**Sukuk Trustee's Reimbursement Account**") with a sum of at least Ringgit Malaysia One Hundred Thousand (RM100,000.00).
- The Sukuk Trustee's Reimbursement Account shall be operated by the Sukuk Trustee and the money therein shall only be used strictly by the Sukuk Trustee in carrying out its duties in relation to the occurrence of a Dissolution Event which are provided in the Trust Deed. The sum of Ringgit Malaysia One Hundred Thousand (RM100,000.00) in the Sukuk Trustee's Reimbursement Account shall be maintained at all times throughout the tenure of the Sukuk Wakalah Programme.
- The moneys in the Sukuk Trustee's Reimbursement Account may be invested in bank deposits or Islamic accounts, instruments or securities (Shariah-compliant instruments or securities in the case of sukuk) as prescribed in the Trust Deed, with profit from the investment to be accrued to the Issuer. These moneys shall be returned to the Issuer upon full redemption of the Sukuk Wakalah if no Dissolution Event takes place.
- (14) **Transaction Documents** : The Transaction Documents shall include, but are not limited to, the following:
- (i) the Programme Agreement;
  - (ii) the Trust Deed;
  - (iii) the relevant Islamic transaction documents for each Tranche of the Sukuk Wakalah;
  - (iv) the Securities Lodgement Form pursuant to BNM Rules and Procedures;
  - (v) the deed of covenant and/or pricing supplement for each Tranche of Sukuk Wakalah;
  - (vi) the subscription agreement;
  - (vii) the relevant security documents for each Tranche of Secured Sukuk Wakalah (if applicable); and
  - (viii) any other documents of whatsoever nature executed or to be executed in connection with the Sukuk Wakalah Programme and the Sukuk Wakalah as may be advised by the Solicitors and mutually agreed between the Issuer and the Lead Arranger. Any reference to the "Transaction Documents" shall mean each or any one or more of them.

**(15) Form and denomination : Form**

The Sukuk Wakalah shall be issued in accordance with BNM Rules and Procedures.

Each issuance of Sukuk Wakalah shall be represented by a global certificate to be deposited with BNM and is exchangeable for definitive certificates only in certain limited circumstances.

**Denomination**

The denomination of the Sukuk Wakalah 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 to be mutually agreed by the Issuer and the Lead Manager as may be allowed under the BNM Rules and Procedures and/or any other procedures/guidelines issued by the relevant authorities at the time of issuance.