

## Principal Terms and Conditions of the Proposal

### BACKGROUND INFORMATION

#### 1. Issuer

- **Name**  
YTL Corporation Berhad ("YTL Corp")
- **Address**  
Registered Office  
11<sup>th</sup> Floor Yeoh Tiong Lay Plaza  
55 Jalan Bukit Bintang  
55100 Kuala Lumpur  
  
Head Office  
11<sup>th</sup> Floor Yeoh Tiong Lay Plaza  
55 Jalan Bukit Bintang  
55100 Kuala Lumpur
- **Business Registration No.**  
92647-H
- **Date/Place of Incorporation**  
9 November 1982/ Malaysia
- **Date of Listing (in the case of a public listed company)**  
3 April 1985 (Bursa Malaysia Securities Berhad)  
29 February 1996 (Foreign Section of the Tokyo Stock Exchange)
- **Status : resident/non-resident controlled company**  
Resident controlled company  
**: Bumiputera/non-Bumiputera controlled company**  
Non-Bumiputera controlled company
- **Principal Activities**

YTL Corp is principally an investment holding and management company. The principal activities of the subsidiaries of YTL Corp include, power generation, water and sewerage services, construction contracting, cement manufacturing, property development, hotel development and management, and information technology and e-commerce initiatives.

- **Board of Directors**

The Board of Directors of YTL Corp as at 26 March 2004 are as follows:-

<b>Name</b>	<b>Resident / Non-Resident</b>	<b>I/C No</b>
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	Resident	291218-10-5079
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	Resident	540823-10-5477
Dato' Yeoh Seok Kian	Resident	570917-10-5141
Dato' (Dr) Yahya Bin Ismail	Resident	280602-01-5007
Mej. Jen (B) Dato' Haron Bin Mohd Taib	Resident	341124-11-5121
Dato' Yeoh Seok Hong	Resident	590522-10-5655
Dato' Michael Yeoh Sock Siong	Resident	601020-10-6675
Dato' Mark Yeoh Seok Kah	Resident	650214-10-6631
Dato' Yeoh Soo Min	Resident	560413-10-5210
Ms. Yeoh Soo Keng	Resident	630910-10-6098
Tuan Syed Abdullah Bin Syed Abd. Kadir	Resident	540214-01-5441
Dato' Lau Yin Pin @ Lau Yen Beng	Resident	490422-11-5209
Mr. Eu Peng Meng @ Leslie Eu	Resident	350718-10-5267

- **Structure of shareholding and names of shareholders or, in the case of a public company, names of all substantial shareholders**

The substantial shareholders of YTL Corp as at 26 March 2004 are as follows:-

Shareholders	<----Direct ---->		<----- Indirect ----->	
	<b>No. of shares held</b>	<b>%</b>	<b>No. of shares held</b>	<b>%</b>
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	687,598,057	47.79	-	-
Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay	5,064,351	0.35	<sup>(1)</sup> 690,338,797	47.98
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	2,740,740	0.19	<sup>(2)</sup> 692,662,408	48.14
Tan Sri Dato' (Dr) Francis Yeoh Sock Ping	9,269,482	0.64	<sup>(3)</sup> 688,382,375	47.84
Dato' Yeoh Soo Min	3,671,696	0.26	<sup>(4)</sup> 687,682,105	47.79
Dato' Yeoh Seok Kian	3,183,760	0.22	<sup>(5)</sup> 688,103,072	47.82
Dato' Yeoh Seok Hong	3,153,460	0.22	<sup>(6)</sup> 689,851,610	47.94
Dato' Michael Yeoh Sock Siong	2,750,623	0.19	<sup>(7)</sup> 689,830,480	47.94
Yeoh Soo Keng	3,180,156	0.22	<sup>(8)</sup> 687,652,525	47.79
Dato' Mark Yeoh Seok Kah	1,637,108	0.11	<sup>(9)</sup> 688,041,451	47.82

Shareholders	<----Direct ----->		<----- Indirect ----->	
	No. of shares held	%	No. of shares held	%
Employees Provident Fund Board	215,293,681	14.96	-	-

Notes:-

- (1) *Deemed interested by virtue of his shareholding in Yeoh Tiong Lay and Sons Holdings Sdn Bhd ("YTLSH") and the shareholding of his spouse, Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong*
- (2) *Deemed interested by virtue of her shareholding in YTLSH and the shareholding of her spouse, Tan Sri Dato' Seri (Dr) Yeoh Tiong Lay.*
- (3) *Deemed interested by virtue of his shareholding in YTLSH and the shareholding of his spouse, Puan Sri Dato' Paduka Rosaline Chan Yee Hing.*
- (4) *Deemed interested by virtue of her shareholding in YTLSH and the shareholding of her spouse, Dato' Tan Kim Kuan.*
- (5) *Deemed interested by virtue of his shareholding in YTLSH and the shareholding of his spouse, Datin Lim Lee Lee.*
- (6) *Deemed interested by virtue of his shareholding in YTLSH and the shareholding of his spouse, Datin Kathleen Chew Wai Lin*
- (7) *Deemed interested by virtue of his shareholding in YTLSH and the shareholding of his spouse, Datin Tan Siew Bee*
- (8) *Deemed interested by virtue of her shareholding in YTLSH and the shareholding of her spouse, Choy Wai Hin*
- (9) *Deemed interested by virtue of his shareholding in YTLSH and the shareholding of his spouse, Datin Julie Teh Chooi Gan.*

- **Authorised and paid-up capital as at 26 March 2004 is as follows**

Authorized Capital	:	Class of shares	Authorised Capital
		Ordinary shares	RM1,500,000,000 comprising 3,000,000,000 shares of RM0.50 each

Issued and Paid :  
Up Capital

<b>Class of Shares</b>	<b>Issued Shares</b>	<b>Paid-Up Capital</b>
Ordinary shares	1,474,586,223 shares of RM0.50 each	RM737,293,111.50

## **PRINCIPAL TERMS AND CONDITIONS**

### **2. Names of parties involved in the proposed transaction (where applicable)**

#### **i. Joint Principal Adviser(s)/Joint Lead Arranger(s)**

Aseambankers Malaysia Berhad ("Aseambankers") and HSBC Bank Malaysia Berhad ("HSBC").

#### **ii. Arranger(s)**

Not applicable.

#### **iii. Valuers**

Not applicable.

#### **iv. Solicitors**

Lee Perara & Tan acting for Joint Principal Advisers/ Joint Lead Arrangers.

#### **v. Financial Adviser**

Not applicable.

#### **vi. Technical Adviser**

Not applicable.

#### **vii. Guarantor**

Not applicable.

#### **viii. Trustee**

Mayban Trustees Berhad.

#### **ix. Facility Agent**

HSBC.

**x. Primary Subscriber(s) and Amount subscribed (where applicable)**

Not applicable.

**xi. Underwriter(s) and amount underwritten**

Commercial Papers Programme ("CP Programme")

The CP Programme is not underwritten.

Medium Term Notes Programme ("MTN Programme")

The MTN Programme is not underwritten. However, the first MTNs issuance under the MTN Programme will be underwritten up to the sum indicated below and on such terms and conditions to be agreed by the parties. The underwriting commitment will be a one off commitment in respect of a shortfall (if any) arising from the book-building exercise. The pricing of the MTNs shall be determined upon completion of the said book-building exercise.

<b>Underwriters</b>	<b>Amount Underwritten (RM Million)</b>
HSBC	250
Malayan Banking Berhad ("Maybank")	150
Aseambankers	100
<b>Total</b>	<b>500</b>

**xii. Syariah Adviser (where applicable)**

Not applicable.

**xiii. Central Depository**

	<b>Central Depository</b>
CP Programme	HSBC
MTN Programme	Bank Negara Malaysia ("BNM")

**xiv. Paying Agent**

	<b>Paying Agent</b>
CP Programme	HSBC
MTN Programme	BNM

**xv. Reporting Accountant**

Ler Lum & Co.

**xvi. Others**

None.

**3. Principal (Conventional / Islamic)**

Conventional.

**4. Facility Description**

CP Programme of RM500 Million in Nominal Value and MTN Programme of RM500 Million in Nominal Value (collectively “Debt Programmes”).

**5. Issue Size (RM)**

- (i) CP Programme: Ringgit Malaysia Five Hundred Million (RM500 Million); and
- (ii) MTN Programme: Ringgit Malaysia Five Hundred Million (RM500 Million).

The Issue Size of each issuance of CPs or as the case may be, MTNs, will be determined at the point of issuance. The Securities Commission (“SC”) will be notified accordingly pursuant to paragraph 2.01(a), Appendix 1 of the SC’s Guidelines on the Offering of Private Debt Securities (“PDS Guidelines”).

**6. Issue Price (RM)**

	Issue Price
CP Programme	<p>CPs are issued at a discount to face value and the price payable for each CPs shall be calculated in accordance with the formula below as set out in the Rules for the Fully Automated System for Tendering (“FAST”) for Private Debt Securities” (“FAST Rules”):</p> $\text{Price} = \text{FV} \times \left[ 1 - \frac{(R \times T)}{36500} \right]$ <p>where</p> <p><i>FV</i> = Face value of the CPs <i>R</i> = Applicable interest rate (expressed in per cent per annum) <i>T</i> = Number of days to maturity of the CPs</p>
MTN Programme	<p>To be issued at par or at a discount or at a premium to face value.</p>

## **7. Tenor of the facility/issue**

### CP Programme

Seven (7) years from the date of the first issue of the CPs under the CP Programme, which shall be made within two (2) years from the date of the SC's approval.

The CPs may be issued for a tenor of one (1), two (2), three (3), four (4), five (5), six (6), seven (7), eight (8), nine (9), ten (10), eleven (11) or up to twelve (12) months from the date of issue PROVIDED THAT the issue matures on a date falling within the Tenor of the CP Programme.

### MTN Programme

Fifteen (15) years from the date of the first issue of the MTNs under the MTN Programme. To the extent required by the PDS Guidelines, the first issue of MTNs shall be made within two (2) years from the date of the SC's approval.

The MTNs may be issued for a tenor of more than one (1) year but not exceeding fifteen (15) years, subject to the maximum tenor of the MTN Programme.

## **8. Interest/Coupon/Profit or equivalent rate (%)**

Depending on the method of issue selected, the coupon rate for the MTNs shall be determined at the point of issue.

### Tender

Coupon rate to be determined upon closing of the tender and bidding process via the FAST managed by BNM.

### Private Placement

Private placement to selected investors at a coupon to be agreed upon between the Issuer and the placee(s).

### Book-Building

To be determined by a book-building process to be undertaken by the Joint Lead Arrangers.

## **9. Interest/Coupon/Profit Payment frequency**

### CPs

The CPs will bear no coupon and be issued at a discount to its face value.

### MTNs

The MTNs may bear no coupon or the MTNs may bear coupon and are payable in fixed rates payable semi-annually in arrears.

#### **10. Interest/Coupon/Profit Payment basis**

Actual number of days elapsed and a year of three hundred sixty five (365) days (Actual/365).

#### **11. Yield to Maturity (%)**

##### CP Programme

The Yield to Maturity of each series of CPs will be determined at the point of issuance. The SC will be notified accordingly pursuant to paragraph 2.01(f), Appendix 1 of the PDS Guidelines.

##### MTN Programme

The Yield to Maturity of each series of MTNs will be determined at the point of issuance. The SC will be notified accordingly pursuant to paragraph 2.01(f), Appendix 1 of the PDS Guidelines.

#### **12. Security/Collateral (if any)**

None.

#### **13. Details on utilisation of proceeds**

The proceeds raised from the Debt Programmes shall be utilised:

- (a) to refinance RM500 Million in Nominal Value 8.5% Five Year Redeemable Non-Guaranteed Unsecured Bonds ("Fixed Rate Bonds"); and/or
- (b) to part refinance YTL Corp's other existing borrowings, to part finance capital expenditure and for working capital requirements.

Details of each issuance shall be notified to the SC in accordance with Section 2.01 of Appendix 1 of the PDS Guidelines.

The first issuance under the Debt Programmes shall be made within six (6) months of SC approval for the following purpose:

<b>Purpose</b>	<b>Period of Utilisation</b>	<b>Amount (RM Million)</b>
To refinance Fixed Rate Bonds	June-December 2004*	up to 500.0



\*Redemption date of the Fixed Rate Bonds is on 29 June 2004. However, the Issuer has alternative funding options to refinance the Fixed Rate Bonds in the event that the rates for the Debt Programmes are not favourable to the Issuer.

**14. Sinking fund (if any)**

None.

**15. Rating**  
**Credit Rating Assigned [Please specify if this is an indicative rating]**

CP Programme

Indicative short term rating of P<sub>1</sub>.

MTN Programme

Indicative long term rating of AA<sub>1</sub>.

**Name of Rating Agency**

Rating Agency Malaysia Berhad.

**16. Form and Denomination**

CP Programme

The CPs will be in bearer form in the denomination and multiples of RM1.0 million each. Each issuance will be initially represented by a global certificate which is exchangeable for the definitive certificates on the occurrence of certain events. The global certificate for the CPs would be deposited with HSBC, as the Depository.

MTN Programme

The MTNs will be in bearer form in denomination of RM1.0 million each. The MTNs will be represented by global certificates (which are exchangeable for the definitive certificates on the occurrence of certain events) to be deposited with BNM and will be traded under the Scripless Securities Trading System ("SSTS") maintained by BNM.

**17. Mode of Issue**

CP Programme and MTN Programme

The CPs and MTNs will be issued without a prospectus and the CPs and MTNs shall be issued in accordance FAST Rules.

CP Programme

Private placement without prospectus and/or tender without prospectus via FAST managed by BNM.

MTN Programme

Book-building, private placement without prospectus and/or tender without prospectus. The MTNs shall be reported via FAST and issued under the Real Time Electronic Transfer of Funds and Securities ("RENTAS") system.

**18. Selling Restriction**

The CPs and/or MTNs may not be offered or sold directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons whose ordinary business is to buy or sell shares and debentures, whether as principal or agent falling within any one of the categories of persons specified under Schedules 2, 3 and 5 of the Securities Commission Act 1993 (as amended from time to time).

**19. Listing Status**

Unlisted.

**20. Minimum Level of Subscription (RM or %)**

CP Programme

10% of each issuance.

MTN Programme

10% of each issuance.\*

*\*Note: Not applicable for 1<sup>st</sup> issuance of the MTNs. The first MTNs issuance under the MTN Programme will be underwritten up to the sum indicated in Section 2(xi) above and on such terms and conditions to be agreed by the parties. The underwriting commitment will be a one off commitment in respect of a shortfall (if any) arising from the book-building exercise. The pricing of the MTNs shall be determined upon completion of the said book-building exercise.*

**21. Other regulatory approvals required in relation to the issue, offer or invitation and whether or not obtained [please specify]**

None.

**22. Additional information for Islamic PDS**

- **Islamic Principle**

Not applicable.

- **Identified assets**

Not applicable.

- **Purchase and selling price/rental (where applicable)**

Not applicable.

## **23. Conditions Precedent**

The Debt Programmes shall be subject to the following conditions precedent:

- (i) execution of all necessary documentation;
- (ii) confirmation and delivery of all required corporate, governmental and other approvals, including but not limited to the approvals of the SC;
- (iii) satisfactory due diligence as required under the PDS Guidelines in respect of the submission to the SC and the establishment of the Debt Programmes (including the preparation of the Information Memorandum, which is acceptable to the Joint Lead Arrangers and their legal counsel);
- (iv) receipt of legal opinions and auditor's comfort letter in form and substance acceptable to the Joint Lead Arrangers;
- (v) evidence that the ratings of the Debt Programmes are not below the ratings stated in "Rating" above; and
- (vi) such other conditions precedent to be mutually agreed by the Issuer and the Joint Lead Arrangers.

## **24. Representations and Warranties**

The Debt Programmes will have the benefit of certain representations and warranties to be given by the Issuer which will include, but not be limited to, the following:

- (i) Ranking: The CPs to be issued under the CP Programme and the MTNs to be issued under the MTN Programme shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking at all times pari passu without any preference amongst themselves and at least pari passu with all other direct, unconditional, unsecured and unsubordinated liabilities of the Issuer, present or future, other than liabilities preferred by law and liabilities which benefit from liens or are subject to rights of set-off arising in the normal course of trading;
- (ii) Authorisation: The Issuer is incorporated under the laws of Malaysia and has all requisite power and authority to execute, deliver and

perform its obligations under the CPs and the MTNs and the Issue Documents as follows:

- (a) CP Programme – Programme Agreement, Tender Panel Agreement, Depository and Paying Agency Agreement, Trust Deed and CPs;
- (b) MTN Programme - Programme Agreement, Depository and Paying Agency Agreements, Trust Deed and MTNs;

and such other documentation as advised by the external legal counsel.

- (iii) Validity: Each of the Issue Documents has been duly authorised, executed and delivered by, and constitute legal, valid and binding obligations of, the Issuer in accordance with their terms;
- (iv) No other consents: There are no consents, authorisations or approvals of, or filings with, any governmental authority required in connection with the issue or sale by the Issuer of the CPs and/or MTNs or the performance of the Issuer's obligations thereunder or under the Issue Documents, except those which have been duly obtained and are in full force and effect;
- (v) Information Memorandum: As of the date of issue thereof, the information contained in the Information Memorandum is true and accurate in all material respects and is not misleading and the Information Memorandum does not contain any untrue statements of a material fact with regard to the Issuer or the CPs and/or the MTNs and does not omit to state any material fact necessary to make the statements therein (with regard to the Issuer and the CPs and/or the MTNs) in light of the circumstances in which they were made not misleading; and
- (vi) Others: Such other representations and warranties to be mutually agreed by the Issuer and the Joint Lead Arrangers.

## **25. Events of Default**

The noteholders may, in writing, holding not less than sixty seven percent (67%) of the Face Amount of all MTNs then outstanding or if so directed by a Special Resolution, (subject to the Trustee's rights to be indemnified under this MTN Trust Deed) declare that an Event of Default has occurred. In that event, and notwithstanding the stated maturity of the MTNs, the MTNs are immediately due and repayable, and the MTNs (which include such MTNs which have matured but remain unpaid) will thereupon become immediately due and repayable, if any of the following events shall occur:-

- (i) Non-payment: the Issuer fails to pay any amount (including without limitation any principal and/or coupon or fees under the CPs or MTNs) due from it under the Issue Documents within seven (7) Business

Days from the due date or the date of demand made in accordance with the Issue Documents, if so payable;

- (ii) Breach of obligations: the Issuer fails to perform and observe any covenant, condition or provision or any of its obligations under the Issue Documents which has a material adverse effect and (except where the trustee certifies in writing (on instructions of the CPs or MTNs holder by special resolution) that such default is not capable of remedy), such failure shall continue for a period of thirty (30) Business Days following the service by the trustee on the Issuer of a notice specifying such default and requiring the same to be remedied;
- (iii) Misrepresentation: any representation, warranty or statement which is made (or acknowledged to have been made) by the Issuer in the Issue Documents or which is contained in any certificate, statement, legal opinion or notice provided under or in connection herewith or therewith proves to be incorrect on the date made and such event has a material adverse effect;
- (iv) Nationalisation: all of the undertakings, assets, rights or revenues of, or shares or other ownership interests in, the Issuer are seized, nationalized, expropriated or compulsorily acquired by or under the authority of any government and such situation will have a material adverse effect; and
- (v) Such other events of default as are prescribed by the SC's Guidelines on the Minimum Contents Requirements for Trust Deeds and such other events of default to be mutually agreed by the Issuer and the Joint Lead Arrangers.

**26. Principal terms and conditions for warrants (where applicable)**

Not applicable.

**27. Other principal terms and conditions for the issue**

**(I) Covenants**

Positive Covenants:

- (i) the Issuer will give to the Trustee any information which the Trustee may require in order to discharge its duties and obligations as trustee under the Trust Deed relating to the Issuer's affairs to the extent permitted by law;
- (ii) the Issuer will exercise reasonable diligence in carrying out its business in a proper and efficient manner which should ensure, amongst others, that all necessary approvals or relevant licences are obtained;
- (iii) the Issuer shall maintain a paying agent in Malaysia;

- (iv) the Issuer shall procure that the paying agent shall notify the Trustee in the event that the paying agent does not receive payment from the Issuer on the due dates for any payment in respect of the CPs and/or the MTNs or any of them as required under the Trust Deed;
- (v) the Issuer shall keep proper books and accounts at all times and it shall provide the Trustee and any person appointed by it to whom the Issuer has no reasonable objection, access to such books and accounts at reasonable times during normal business hours upon reasonable notice having been given to the Issuer;
- (vi) the Issuer shall immediately notify the Trustee in the event that the Issuer becomes aware of any Event of Default or that such other right or remedy under the terms, provisions and covenants of the CPs and/or the MTNs and Trust Deed have become immediately enforceable;
- (vii) the Issuer shall immediately notify the Trustee in the event that the Issuer becomes aware of any circumstances that has occurred that would materially prejudice the Issuer or any security included in or created by the Trust Deed;
- (viii) the Issuer shall immediately notify the Trustee in the event that the Issuer becomes aware of any substantial change in the nature of the business of the Issuer;
- (ix) the Issuer shall immediately notify the Trustee in the event that the Issuer becomes aware of any change in the utilisation of proceeds from the CPs or MTNs where the Information Memorandum or any agreement entered into by the Issuer in connection with the issue, offer of or invitation for the CPs or MTNs which sets out a specific purpose for which proceeds are to be utilised;
- (x) the Issuer shall immediately notify the Trustee in the event that the Issuer becomes aware of any other matter that may materially prejudice the interests of the holders of the CPs and/or the MTNs;
- (xi) the Issuer shall send to the Trustee a copy of the annual audited accounts of the Issuer within 180 days from the end of its financial year and as soon as practicable such other accounts, report, notice, statement or circular issued to shareholders of the Issuer;
- (xii) the Issuer shall deliver to the Trustee not later than 180 days after the end of each financial year, a certificate that the Issuer has complied with its obligations under the Trust Deed and the terms and conditions of the CPs and/or MTNs and that there did not exist or had not existed, from the date the CPs and/or

MTNs were issued or date of the previous certificate as the case may be, any Event of Default and if such is not the case, to specify the same; and

- (xiii) such other positive covenants as may be mutually agreed by the Issuer and the Joint Principal Advisers and/or such other positive covenants (if any) as prescribed by the Securities Commission's Guidelines on the Minimum Contents Requirements for Trust Deeds.

Negative Covenants:

- (i) the Issuer shall not enter into a transaction, whether directly or indirectly with interested persons (including a director, substantial shareholder or persons connected with them) unless-
  - (a) such transaction shall be on terms that are not less favourable to the Issuer than those which could have been obtained in a comparable transaction from persons who are not interested persons; and
  - (b) with respect to transactions involving an aggregate payment or value equal to or greater than 25% of the consolidated net tangible assets based on the latest audited consolidated financial statements, the Issuer obtains certification from an independent adviser that the transaction is carried out on fair and reasonable terms of the issue.

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

For the purposes of paragraph (a) above, in determining whether a transaction is entered into on terms that are no less favourable to the Issuer, consideration shall be given to, inter alia, the interested person's ongoing and/or future contribution (by way of assistance or otherwise) to the business of the Issuer. Such contribution may take various forms, such as the sharing of technical expertise, management expertise and marketing capabilities.

- (ii) Negative Pledge: So long as any CPs and/or MTNs remain outstanding, the Issuer shall not create or permit to subsist any mortgage, charge, pledge or other security interest over the whole or any part of its undertakings, assets, property or revenues, present or future, to secure any borrowings or

indebtedness with the exceptions of liens arising by operation of law or created in the ordinary course of business and pledges created in relation to documentary credits opened in the ordinary course of trading, leasing arrangements or hire purchase transactions.

- (iii) such other negative covenants as may be mutually agreed by the Issuer and the Joint Principal Advisers and/or such other negative covenants (if any) as prescribed by the Securities Commission's Guidelines on the Minimum Contents Requirements for Trust Deeds.

## **(II) Taxation**

All payments by the Issuer shall be made 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 Malaysia, 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 not gross up for any such deductions or withholdings.