

An unrated Islamic medium term notes programme for the issuance of unrated Islamic medium term notes (“Sukuk Wakalah”) of up to RM1.80 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah Programme”)

Other terms and conditions		
(1)	Specific Conditions	<p>: Shall include but not limited to the following:</p> <p>(i) <u>Dividend Payments</u>: the Issuer shall cause its present and future subsidiaries under the Bernas Group to:</p> <ul style="list-style-type: none"> (a) maximise the amount and frequency of dividend distribution or such other income or capital; (b) not have any restrictions on dividend payment or intercompany advances save for the customary financial covenant for the purpose of maintaining adequate level of debt payment as disclosed to the Lead Arranger, the Sukuk Trustee and the Facility Agent prior to the date of the Programme Agreement; (c) obtain the necessary approvals and take the necessary steps for maximizing the payment of dividends or the making of other distributions as appropriate; and (d) declare and pay dividends sufficient to meet all payment obligations until all amounts due and payable under the Sukuk Wakalah have been fully paid; <p>(ii) <u>Incur Indebtedness</u>: the Issuer shall not and shall procure CSR not to create, incur, assume, guarantee or permit to exist any indebtedness or provide guarantees, indemnities or similar assurances against financial loss in respect of any indebtedness of any affiliate or third party, whether actual or contingent, except for the Permitted Indebtedness (as defined below).</p> <p>“Permitted Indebtedness” means:</p> <ul style="list-style-type: none"> (a) the indebtedness to be incurred under the Sukuk Wakalah; (b) the Hedging Facilities; (c) any indebtedness incurred in the ordinary course of businesses, provided that such indebtedness (not including (i) the Hedging Facilities and (ii) indebtedness disclosed pursuant to paragraph (d) below) does not exceed RM450.0 million in aggregate; or (d) such other indebtedness which has been disclosed by the Issuer to the Lead Arranger, the Sukuk Trustee and the Facility Agent prior to the date of the Programme Agreement;

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		<p>(iii) <u>Negative Pledge</u>: except for (1) those already existing and/or disclosed to the Lead Arranger, the Sukuk Trustee and the Facility Agent prior to the date of the Programme Agreement; and (2) those as permitted under the Transaction Documents, the Issuer shall and shall procure that each member of the Bernas Group shall not create or permit to exist any encumbrance, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind (“Security Interest”) including, without limitation, title transfer and/or retention arrangements having a similar effect or any agreement to create any of the foregoing on or over the whole or any part of its present or future property, undertaking, assets or revenue of any kind to secure any borrowings or indebtedness, but excluding liens arising in the ordinary course of business by operation of law and not by way of contract and liabilities which are preferred solely by operation of law and not by reasons of any Security Interest;</p> <p>(iv) <u>Licences</u>: the Issuer shall procure that each of its subsidiaries maintains all of their respective licenses, distribution rights, permits and regulatory approvals necessary to operate its existing principal business activity;</p> <p>(v) <u>Investments or Acquisitions</u>: the Issuer shall not acquire any material assets and/or enter into any material investments without the prior written consent of the Sukuk Trustee.</p> <p>For the purposes of this paragraph, references to “material” shall mean, in respect of such assets or investments, assets or investments which constitute 10% or more of the Issuer’s then consolidated net assets;</p> <p>(vi) <u>Shareholding</u>: the Issuer shall at all times procure that:</p> <p>(a) PLSB shall maintain its 100% direct shareholding in the Issuer throughout the tenure of the Sukuk Wakalah Programme;</p> <p>(b) CSR shall remain a directly wholly-owned subsidiary of Bernas throughout the tenure of the Sukuk Wakalah Programme; and</p> <p>(vii) <u>Others</u>: such other specific conditions as may be required by the Lead Arranger and/or advised by the PA/LA’s Solicitors.</p>						
(2)	Details on utilisation of proceeds	<p>: The proceeds raised from the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme shall be utilised for the following Shariah-compliant purposes:</p> <table border="1"> <thead> <tr> <th>No</th><th>Purpose of Utilisation</th><th>Amount (RM)</th></tr> </thead> <tbody> <tr> <td> </td><td> </td><td> </td></tr> </tbody> </table>	No	Purpose of Utilisation	Amount (RM)			
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Padiberas Nasional Berhad (Registration No. 199401009835 (295514-U)) (“Bernas” or the “Issuer”)

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			Tranche 1		
			1	To refinance the Issuer’s existing Islamic medium term notes programme of RM1.0 billion (“Existing IMTN Programme”).	Up to RM930.0 million
			Tranche 2		
			2.	To part finance the acquisition of 100% equity interest in CSR (“CSR Acquisition”).	Up to RM870.0 million or a percentage of the total purchase consideration for the CSR Acquisition to be agreed and set out in the relevant Transaction Documents, whichever is lower.
(3)	Status	:	The Sukuk Wakalah, pursuant to the relevant Transaction Documents, shall constitute direct unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank pari passu without discrimination, preference and priority amongst themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer.		
(4)	Tenure	:	<u>Tenure of the Sukuk Wakalah Programme</u> The Sukuk Wakalah Programme shall have a tenure of up to ten (10) years from the date of first issue of Sukuk Wakalah under the Sukuk Wakalah Programme. <u>Tenure of the Sukuk Wakalah:</u> The Sukuk Wakalah shall have a tenure of at least one (1) year and up to ten (10) years.		

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(5)	Profit / coupon / rental rate	: The Sukuk Wakalah may be issued with or without Periodic Distribution. For Sukuk Wakalah issued with Periodic Distribution, the periodic distribution amount (" Expected Periodic Distribution Amount ") shall be determined at the point of issuance. The " Expected Profit Rate " for the Sukuk Wakalah can be a fixed or floating rate to be mutually agreed between the Issuer and the Sukukholders. In the case of Sukuk Wakalah issued on floating rate basis, the Expected Profit Rate shall be a credit spread (%) per annum above the Kuala Lumpur Interbank Offered Rate (KLIBOR) or such other reference benchmark to be agreed between the Issuer and the Sukukholders at the point of issuance and expressed as a rate in per cent per annum (" Effective Rate "), for the purposes of calculating the Expected Periodic Distribution Amount on each Periodic Distribution Date. The Effective Rate may vary based on the movement of the relevant reference rate provided always that it shall not exceed the Maximum Profit Rate.
(6)	Periodic Distribution Frequency	: The Periodic Distributions shall be payable quarterly in arrears from the issue date as requested by the Issuer and agreed by the Facility Agent, with the first payment to be made three (3) months from the relevant issue date(s) of the Sukuk Wakalah and the last payment to be made on the relevant maturity date(s) of the Sukuk Wakalah.
(7)	Periodic Distribution Basis	: The Periodic Distributions shall be payable in arrears on the last day of each profit period and shall be calculated on the basis of the actual number of days elapsed over a 365-day year.
(8)	Identified Asset / Trust Asset	: The " Trust Assets " shall comprise (i) Sukuk Proceeds, (ii) the Wakalah Portfolio (which shall comprise 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.
(9)	Issue Price	: The Sukuk Wakalah may be issued at par, at a premium or at a discount to the nominal value, which shall be determined prior to each issuance. The Issue Price shall be calculated in accordance with PayNet Rules and Procedures (as defined in the section entitled " <i>Other terms and conditions – Form and denomination</i> ").
(10)	Redemption	: Unless previously redeemed or purchased and cancelled, the Sukuk Wakalah issued under the Sukuk Wakalah Programme will be redeemed by the Issuer at one hundred per cent (100%) of their nominal value on: (i) their respective maturity date(s); (ii) upon declaration of a Dissolution Event; or (iii) upon Voluntary Early Redemption or Mandatory Early Redemption,

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		whichever is earliest.
(11)	Conditions Subsequent	<p>To include but not limited to the following:</p> <ul style="list-style-type: none"> (i) No later than ten (10) business days from the date of the first issuance of the Sukuk Wakalah (or such longer period as may be agreed by the Security Agent in writing), confirmation from Bernas’ solicitors that the CSR Acquisition has been completed; (ii) No later than ten (10) business days from the date of the first issuance of the Sukuk Wakalah (or such longer period as may be agreed by the Security Agent in writing), documentary evidence from Malayan Banking Berhad that the Banking Facilities Redemption has been completed; (iii) No later than ten (10) business days from the date of the payment of the balance purchase price under the CSR Acquisition (or such longer period as may be agreed by the Security Agent in writing), receipt of all original share certificates of the CSR Shares with Bernas as the registered owner of the CSR Shares; (iv) No later than ninety (90) days from the date of the first issuance of the Sukuk Wakalah (or such longer period as may be agreed by the Security Agent in writing), receipt of documentary evidence that there are no restrictions prohibiting the declaration or payment of dividends by CSR under the subsisting financing documents between CSR and its existing financiers, chargees, bank guarantors or assignees; and (v) Such other conditions subsequent as may be required by the Lead Arranger and/or advised by the PA/LA’s Solicitors.
(12)	Form and denomination	<p>: The Sukuk Wakalah shall be issued in accordance with:</p> <ul style="list-style-type: none"> (i) the “Operational Procedures for Securities Services” issued by PayNet; (ii) the “Operational Procedures for Malaysian Ringgit Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS)” issued by PayNet; and (iii) the “Participation Rules for Payments and Securities Services” issued by PayNet, <p>(collectively, the “PayNet Rules and Procedures”, as may be amended or substituted from time to time, subject to such variation, amendments or exemptions (if any) from time to time).</p> <p><u>Form</u></p> <p>Each tranche of the Sukuk Wakalah shall be represented by a global certificate (exchangeable for definitive certificates on the occurrence</p>

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		<p>of certain limited events). The global certificate shall be deposited with BNM and shall be in bearer form.</p> <p><u>Denomination</u></p> <p>Subject to the PayNet Rules and Procedures, 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 Arranger.</p>
(13)	Taxation	<p>: All payments in respect of the Sukuk Wakalah and the Transaction Documents by the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any authority having power to tax, unless such withholding or deduction is required by law in which case the Issuer shall pay additional amounts so that the full amount which otherwise would have been due and payable under the Sukuk Wakalah is received by parties entitled thereto.</p>
(14)	Transaction Documents	<p>: The Sukuk Wakalah Programme shall be governed by documentation standard for a transaction of this nature to be in the form and substance acceptable to the Lead Arranger, the Sukuk Trustee and the Issuer. Such documentation shall include, but not limited to the following:</p> <ul style="list-style-type: none"> (a) the Programme Agreement; (b) the Trust Deed; (c) the Security Documents; (d) the Security Agency Agreement; (e) the Islamic documents; (f) the Securities Lodgement Form; and (g) the Global Certificates, <p>and all other documents of whatsoever nature executed or to be executed in connection with the Sukuk Wakalah Programme.</p>
(15)	Material Adverse Effect	<p>: Means in relation to any event, the occurrence of which, in the opinion of the Sukuk Trustee, may have a material and adverse effect on:</p> <ul style="list-style-type: none"> (i) the assets, business, operations or condition (financial or otherwise) of the Issuer or any of the Security Providers; or (ii) the ability of the Issuer or any of the providers to perform or comply with any of its obligations under the Transaction Documents; or (iii) the validity, legality or enforceability of the Transaction Documents or the rights and benefits available to the

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			Sukukholders under any provisions of the Transaction Documents.
(16)	Sukuk Trustee Reimbursement Account	:	<p>An Islamic account designated as “Sukuk Trustee’s Reimbursement Account for Sukukholders’ Actions” (as required under the Guidelines on Trust Deeds) (“Sukuk Trustee’s Reimbursement Account”) shall be opened and maintained, with a sum of at least RM30,000.00 to be deposited therein. The Sukuk Trustee Reimbursement Account shall be operated by the Sukuk Trustee and the monies shall only be used strictly by the Sukuk Trustee in carrying out its duties in relation to the occurrence of Dissolution Events or enforcement events as provided in the relevant transaction documents. The sum of at least RM30,000.00 in the Sukuk Trustee Reimbursement Account shall be maintained at all times throughout the tenure of the Sukuk Wakalah Programme.</p> <p>The monies in the Sukuk Trustee’s Reimbursement Account may be invested in the manner provided in the Trust Deed, with profit from the investment to accrue to the Issuer. The monies in the Sukuk Trustee’s Reimbursement Account shall be returned to the Issuer upon full redemption of the Sukuk Wakalah under the Sukuk Wakalah Programme in the event there is no Dissolution Event.</p>
(17)	Jurisdiction	:	The parties shall unconditionally and irrevocably submit to the exclusive jurisdiction of the courts of Malaysia.