

TOYOTA CAPITAL MALAYSIA SDN BHD (“TOYOTA CAPITAL” OR THE “ISSUER”)

AN ISLAMIC MEDIUM TERM NOTES (“SUKUK MUSHARAKAH”) PROGRAMME BASED ON THE SHARIAH PRINCIPLE OF MUSHARAKAH (“SUKUK MUSHARAKAH PROGRAMME”) FOR THE ISSUANCE OF SUKUK MUSHARAKAH, WHICH TOGETHER WITH A CONVENTIONAL MEDIUM TERM NOTES (“MTN”) PROGRAMME (“MTN PROGRAMME”) FOR THE ISSUANCE OF MTN, SHALL HAVE A COMBINED AGGREGATE LIMIT OF RINGGIT TWO BILLION AND FIVE HUNDRED MILLION (RM2,500,000,000.00) IN NOMINAL VALUE, GUARANTEED BY TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.

Other terms and conditions

- (i) **Identified Assets** : The Shariah-compliant business of the Issuer and/or its subsidiaries which comprises Shariah-compliant hire purchase (Al-Ijarah Thumma Al Bai’) and leasing (Al-Ijarah) activities and/or such other Shariah-compliant assets based on the SC’s SAC’s criteria, identified prior to the issuance of the Sukuk Musharakah and provided by the Issuer for the purpose of the transaction, which assets shall be endorsed by the Shariah Adviser (“**Identified Assets**”). The value of the Identified Assets shall be valued at the point of issuance based on the book value of such asset or such other valuation methods acceptable to the Shariah Adviser.
- (ii) **Purchase and selling price or rental, where applicable – compliance with asset pricing requirements** : Not applicable.
- (iii) **Profit/coupon/ rental rate (fixed or floating)** : The Sukuk Musharakah will be issued with Periodic Distributions.
- The expected profit rate(s) shall be fixed rate only and shall be determined at the point of issuance of the respective Sukuk Musharakah.
- On any Periodic Distribution Date, the “**Expected Periodic Distribution**” is calculated at the expected profit rate on the nominal value of the relevant tranche of the Sukuk Musharakah and is based on the actual number of days elapsed and 365 days basis (actual/365 days).
- (iv) **Profit/ coupon/rental payment frequency** : The profit distribution frequency shall be semi-annual or such other period as the Issuer and the relevant Joint Lead Managers may agree prior to each issuance (“**Periodic Distribution Period**”).
- “**Periodic Distribution Date**” means the last day of a particular Periodic Distribution Period.

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(v) Issue Price : The Sukuk Musharakah shall be issued at par and the issue price shall be calculated in accordance with the BNM Rules and Procedures.

(vi) Details on Utilisation of Proceeds by Issuer : The proceeds raised from the issuance of Sukuk Musharakah under the Sukuk Musharakah Programme (“**Sukuk Musharakah Proceeds**”) shall be utilised as follows:

(a) by the Issuer, for the Shariah-compliant working capital and/or capital expenditure requirements of the Islamic businesses of the Issuer and for the refinancing of any of the Issuer’s existing and/or future Islamic financing facilities; and

(b) by the Issuer’s subsidiaries, for the Shariah-compliant working capital and/or capital expenditure requirements of the Islamic businesses of the Issuer’s subsidiaries, in which the Sukuk Musharakah Proceeds will be flowed to the Issuer’s subsidiaries by way of Shariah-compliant intercompany financing.

For the avoidance of doubt, the utilisation of Sukuk Musharakah Proceeds shall at all times be for Shariah-compliant purposes.

(vii) Status : The Sukuk Musharakah shall constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu, without discrimination, preference or priority amongst themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, save for those preferred by law.

The obligations of the Kafalah Provider under the Kafalah Guarantee and Indemnity shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Kafalah Provider and at all times rank at least pari passu with all other present and future unsecured and unsubordinated obligations of the Kafalah Provider, save for those preferred by law.

(viii) Form and Denomination : The Sukuk Musharakah shall be issued in accordance with:

(a) the Participation Rules for Payments and Securities Services issued by BNM, or its successor in title,

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assigns or any successor in such capacity (as may be amended and/or substituted from time to time);

- (b) the Operational Procedures for Securities Services and Operational Procedures for Malaysian Ringgit (MYR) Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS) both issued by BNM or its successor in title, assigns or any successor in such capacity (as may be amended and/or substituted from time to time); and
- (c) any other procedures/guidelines/rules issued by the relevant authorities from time to time (as the same may be amended or substituted from time to time),

(collectively, the “**BNM Rules and Procedures**”).

Form

Each tranche of Sukuk Musharakah shall be represented by a global certificate to be deposited with BNM and may be exchanged for definitive bearer certificates only in certain limited circumstances.

Denomination

The denomination of the Sukuk Musharakah shall be RM1,000.00 or in multiples of RM1,000.00 or such other denomination as may be mutually agreed between the Issuer and the Joint Lead Managers and approved by the Facility Agent, as may be allowed under the BNM Rules and Procedures.

(ix) **Tenure
(Programme and
Issue)**

: Tenure of the Sukuk Musharakah Programme

The Sukuk Musharakah Programme shall have a tenure of fifteen (15) years from the date of the first issue under the Sukuk Musharakah Programme.

Tenure of the Sukuk Musharakah

The tenure of the Sukuk Musharakah shall be at least one (1) year and up to fifteen (15) years, provided that the Sukuk

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Musharakah mature on or prior to the expiry of the Sukuk Musharakah Programme.

The tenure of each Sukuk Musharakah to be issued under the Sukuk Musharakah Programme will be determined prior to the issue date.

- (x) **Sukuk Musharakah Transaction Documents** : The Sukuk Musharakah Transaction Documents in respect of the Sukuk Musharakah Programme shall include the following documents:
- (a) the programme agreement;
 - (b) the trust deed (“**Trust Deed**”);
 - (c) the subscription agreement(s);
 - (d) the Kafalah Guarantee and Indemnity;
 - (e) the relevant Islamic documents in relation to the underlying transaction of the Sukuk Musharakah;
 - (f) the securities lodgement form; and
 - (g) other documents of whatsoever nature executed or to be executed in connection with or pursuant to any of the above documents or otherwise in connection with the Sukuk Musharakah Programme and the Sukuk Musharakah, including any supplemental document(s) thereof, as may be advised by the Solicitors to the Lead Arranger and to be mutually agreed between the Issuer and the Lead Arranger,
- and references to “**Sukuk Musharakah Transaction Documents**” shall include references to any one or more of them.

- (xi) **Taxation** : All payments by the Issuer and/or the Kafalah Provider 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 the Government of Malaysia or any 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

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Issuer and/or the Kafalah Provider shall be required to pay such additional amounts to the payee so that the full amount which otherwise would have been due and payable under the Sukuk Musharakah is received by parties entitled thereto.

- (xii) Jurisdiction** : The Issuer shall unconditionally and irrevocably submit to the non-exclusive jurisdictions of the courts of Malaysia.

The Kafalah Provider shall unconditionally and irrevocably submit to the non-exclusive jurisdictions of the courts of Malaysia and Netherlands in connection with the Kafalah Guarantee and Indemnity.

- (xiii) Sukuk Trustee’s Reimbursement Account for Sukukholders’ Actions** : A Shariah-compliant Sukuk Trustee’s Reimbursement Account for Sukukholders’ actions for the Sukuk Musharakah Programme (“**STRA**”) under the Guidelines on Trust Deeds issued by the SC on 12 July 2011 and revised on 23 July 2020 (as amended and/or substituted from time to time) shall be set up either by the Issuer or for and on behalf of the Issuer, in which a sum of at least RM100,000.00 shall be deposited therein.

The STRA shall be operated solely 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 a Dissolution Event or enforcement in the manner as provided in the Trust Deed. The sum of at least RM100,000.00 shall be maintained in the STRA at all times throughout the tenure of the Sukuk Musharakah Programme.

- (xiv) Other Conditions** : The Sukuk Musharakah 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 Musharakah.