

YNH Property Bhd ("Issuer")

Perpetual securities issuance programme for the issuance of unrated perpetual securities.

Principal Terms and Conditions

(A) CORPORATE INFORMATION OF ISSUER

- (1) Name : YNH Property Bhd ("Issuer")
- (2) Address : Registered Address 55A, Medan Ipoh 1A Medan Ipoh Bistari 31400 Ipoh Perak
Business Address 188, Jalan PPMP 3/3 Pusat Perniagaan Manjung Point 3 32040
Seri Manjung Perak
- (3) Date of incorporation: 18 October 2001
- (4) Place of incorporation : Malaysia
- (5) Business registration: 561986-V
number
- (6) Residence status : Resident Controlled Company
- (7) Place of listing : Bursa Malaysia
- (8) Date of listing : 9 December 2003
- (9) Principal activities : Investment holding.
- (10) Issued and paid-up : The issued and paid-up capital of the Issuer as at 17 April 2019:
share capital
Issued and paid-up
RM528,999,579 comprising 528,999,579 ordinary shares (including 512,512
treasury shares).

- (11) Structure of shareholdings and names of substantial shareholders are as follows:

Name	No. of ordinary shares held		No. of ordinary shares held	
	Direct	%	Indirect	%
Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT	23,656,810	4.476	130,447,418	24.683
Dato' Dr. Yu Kuan Chon,	128,027,250	24.2	39,096,507	7.39

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DIMP, PPT, MBBS		25		8
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(12) Board of directors :

No.	Name
1	Dato' Dr. Yu Kuan Chon, DIMP, PPT, MBBS
2	Dato' Yu Kuan Huat, DPMP, PMP, AMP, PPT
3	Dato' Lim Git Hooi @ Robert Lim, DPMP, JP
4	Ching Nye Mi @ Chieng Ngie Chay
5	Ding Ming Hea

Additional Notes:

Board of directors of the Issuer as at 17 April 2019.

(13) Disclosure of the following :

- (i) If the issuer or its board members have been convicted or charged with any offence under any securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law, or if any action has been initiated against the issuer or its board members for breaches of the same, for the past ten years prior to the lodgement/ since incorporation (for issuer) : None.

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incorporated
less than ten
years)

- (ii) If the issuer has: None.
been subjected
to any action by
the stock
exchange for
any breach of
the listing
requirements or
rules issued by
the stock
exchange, for
the past five
years prior to
the lodgement

(B) PARTIES TO THE TRANSACTION

(a) Origination

No.	Roles	Name of parties
1	Issuer	YNH Property Bhd
2	Principal Adviser	CIMB Investment Bank Berhad
3	Lead Arranger	CIMB Investment Bank Berhad
4	Solicitors	Messrs. Adnan Sundra & Low
5	Trustee	Malaysian Trustees Berhad
6	Security Agents	CIMB Investment Bank Berhad

(b) At the point of distribution

No.	Roles	Name of parties
1	Issuer	YNH Property Bhd

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2	Lead Manager	CIMB Investment Bank Berhad and/or such other party to be appointed by the Issuer
3	Facility Agent	CIMB Investment Bank Berhad

(c) After distribution

No.	Roles	Name of parties
1	Issuer	YNH Property Bhd
2	Principal Adviser	CIMB Investment Bank Berhad
3	Facility Agent	CIMB Investment Bank Berhad
4	Security Agents	CIMB Investment Bank Berhad
5	Trustee	Malaysian Trustees Berhad
6	Central Depository	Bank Negara Malaysia
7	Paying Agent	Bank Negara Malaysia

(C) DETAILS OF FACILITY/PROGRAMME

- (1) Name of facility : Perpetual securities issuance programme for the issuance of unrated perpetual securities.
- (2) One-time issue or programme : Programme
- (3) Shariah principles (for sukuk) : Not applicable
- (4) Facility description (for ringgit-denominated sukuk, to provide) : Proposed issuance of unrated perpetual securities ("**Perpetual Securities**") pursuant to a perpetual securities issuance programme of RM750.0 million in nominal value ("**Perpetual Securities Programme**").

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description as
cleared by the SC)

(5) Currency : Ringgit

(6) Expected facility/
programme size : MYR 750,000,000.00

(7) Option to upsize (for : Yes
programme)

Additional Notes:

Please refer to the section entitled *Other Terms and Conditions - "Option to Upsize"*.

(8) Tenure of facility/
programme : Perpetual

(9) Availability period for:
debt/ sukuk
programme : The Perpetual Securities Programme is available for issuance in perpetuity upon completion of documentation and fulfilment of all conditions precedent to the satisfaction of the Lead Arranger.

(10) Clearing and
settlement platform : Payments Network Malaysia Sdn Bhd ("**PayNet**")

(11) Mode of issue : ☒ Private/direct placement
☒ Bought deal
☒ Book building

(12) Selling restrictions : (i) At issuance:
☒ Part 1 of Schedule 6 of the Capital Markets & Services Act, 2007 (CMSA)
☒ Part 1 of Schedule 7 of the CMSA
☒ Read together with Schedule 9 of CMSA
☒ Other-The Perpetual Securities may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase the Perpetual Securities and to whom the Perpetual Securities are issued would fall within: 1. Part 1 of Schedule 6 or Section 229(1)(b) and Part 1 of Schedule 7 or Section 230(1)(b); and 2. read together with Schedule 9 or Section 257(3), of the Capital Markets and Services Act 2007 as amended from time to time ("CMSA").
(ii) After issuance:
☒ Part 1 of Schedule 6 of the CMSA
☒ Read together with Schedule 9 of CMSA
☒ Other-The Perpetual Securities may only be offered, sold, transferred or

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otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase the Perpetual Securities and to whom the Perpetual Securities are issued would fall within: 1. Part 1 of Schedule 6 or Section 229(1)(b); and 2. read together with Schedule 9 or Section 257(3), of the CMSA, as amended from time to time.

- (13) Tradability and transferability : Size in Ringgit which are tradable and transferable:
MYR 750,000,000.00
Size in Ringgit which are non-tradable and non-transferable:
Not applicable
- (14) Secured/combinations of unsecured and secured, if applicable : Each Perpetual Securities issued under the Perpetual Securities Programme may or may not be secured. Perpetual Securities which are secured ("**Secured Perpetual Securities**") will be secured by such security/collateral to be mutually agreed between the Issuer and the Lead Manager prior to such issuance of Perpetual Securities under the Perpetual Securities Programme.

Issue Security

The security for each issuance of Secured Perpetual Securities (including the first issuance under the Perpetual Securities Programme ("**First Issuance**")) may include (but is not limited to) the following:

- (a) first legal charge and assignment over the Escrow Account (as defined below);
- (b) first fixed charge (in respect of properties with individual titles) over property(ies) to be mutually agreed between the Issuer and the Lead Manager prior to each issuance ("**Properties With Title**"); and/or
- (c) specific debenture creating a first fixed charge over property(ies) (in respect of which the individual titles have not been issued) to be mutually agreed between the Issuer and the Lead Manager prior to each issuance ("**Properties Without Title**").

The Properties With Title and the Properties Without Title shall collectively be referred to as "**Secured Properties**".

For the avoidance of doubt, the Secured Properties may comprise solely Properties With Title, solely Properties Without Title or a combination of both and shall include any Eligible Replacement Security (as defined below).

Issue Security for First Issuance

In respect of the First Issuance, the Issue Security shall comprise the following:

- (a) third party first fixed charge over a parcel of commercial development land having a land area of 10,564 square metres (113,710 square feet) located along Jalan Sultan Ismail, Kuala Lumpur held under Geran 75552, Lot 20002, Section 57, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("**First Issue Secured Property**") ("**Land Charge**"), and

- (b) first legal charge and assignment over the Escrow Account-First Issuance (as defined below).

For the First Issuance, the Issuer shall ensure the following Security Cover (as defined below) is met at all times.

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"Security Cover" means:-

in respect of the First Issuance, a minimum security cover of 1.60 times calculated in accordance with the following formula (the **"Security Cover Formula"**):-

$$[MV + (EA \times \text{Cash Factor})] / NV$$

where:

MV = Market Value of the Secured Properties and Eligible Replacement Security as the case may be

EA = Cash amounts in the Escrow Account-First Issuance

NV = Outstanding nominal value of the Perpetual Securities of the First Issuance

Cash Factor = 2.0

"Market Value" means the market value of the Secured Properties (including any Eligible Replacement Security) supported by the latest available valuation report(s) from any one or more property valuers within the agreed panel of property valuers set out in the relevant Transaction Documents (as defined below) and such valuation report(s) is to be addressed to the Security Agent or Lead Arranger as the case may be. In the case of determining the Security Cover prior to each issuance of Secured Perpetual Securities, the valuation report(s) shall be dated no earlier than one (1) year prior to the proposed issue date of such Secured Perpetual Securities issuance. In the case of determining the market value of the Eligible Replacement Security pursuant to the Release and Replacement of Security, the valuation report(s) of such Eligible Replacement Security shall be dated no more than six (6) months from the date of the Notification (as defined below).

(A) Release and Replacement of Security

The Issuer may request for the release of any of the Secured Properties to be replaced with Eligible Replacement Security and/or deposit cash amount into the Escrow Account provided always that the Security Cover is met at all times.

Where the Issuer wishes to effect any Release and Replacement of Security, the Issuer shall provide the Security Agent and the Trustee with at least fifteen (15) business days' prior notice (**"Notification"**) for the Security Agent and the Trustee to initiate such necessary actions in relation to such Release and Replacement of Security. The date of which the replacement of the Secured Properties with Eligible Replacement Security take effect shall be referred to as **"Security Replacement Date"**.

(B) Revaluation of Secured Properties and Eligible Replacement Security

All the Secured Properties, including Eligible Replacement Security shall be revalued every three (3) years from the issue date or three (3) years from the replacement date of the Secured Properties and Eligible Replacement Security, where applicable (each a **"Revaluation Date"**). The revaluation shall be based on a valuation report dated no more than six (6) months from the Revaluation Date.

In relation to the First Issuance, on each Revaluation Date,

(i) if the Security Cover is more than 1.60 times, the Issuer may request for a release or withdraw any of the Secured Properties, Eligible Replacement Security and/or cash in Escrow Account-First Issuance in excess of the Security Cover of 1.60 times; and

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(ii) if the Security Cover is less than 1.60 times, the Issuer shall provide additional Eligible Replacement Security and/or cash deposit or procure the deposit of the relevant amount into the Escrow Account-First Issuance, in order for the Security Cover to be at least 1.60 times within two (2) months from such relevant Revaluation Date.

In the event the Security Cover of 1.60 times is not met within two (2) months from the relevant Revaluation Date, the Coupon Rate (as defined below) shall be increased by three percent (3%) per annum above the prevailing Coupon Rate with effect from the expiry of two (2) months from the relevant Revaluation Date.

Upon the Issuer providing Secured Properties, Eligible Replacement Security and/or deposit cash amount into the Escrow Account-First Issuance causing the Security Cover to be at least 1.60 times, the Coupon Rate shall revert to the prevailing Coupon Rate with effect from the day immediately after the date on which the Security Cover is at least 1.60 times.

"Eligible Replacement Security" in relation to the First Issuance, means first fixed charge or a specific debenture creating a first fixed charge over any one, or more of the following properties (item i to iv of which the approval from the holders of the Perpetual Securities ("**Perpetual Securities Holders**") are not required):

- i) Hakmilik Sementara Daftar 47941, PT 48632, No. H.S.(D) 47941, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan K.L. measuring 6.2 acres located at Desa Sri Hartamas;
- ii) Geran Mukim 55, No. Lot 4753, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan K.L. measuring 5.1 acres located at Segambut Dalam;
- iii) Geran 79820, Lot 20009 Seksyen 89, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan K.L. measuring 1.09 acres located along Jalan Ampang;
- iv) Geran Mukim 9, Lot 214, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan K.L. measuring 2.87 acres located at Pantai Dalam; and/or
- v) such other identified properties subject to the approval by Perpetual Securities Holders by way of a special resolution.

The terms and conditions of subsequent issuances of Secured Perpetual Securities in relation to Security Cover Formula, Release and Replacement of Security and Revaluation of Secured Properties and Eligible Replacement Security shall be similar to the above terms and conditions, unless otherwise agreed between the Issuer and the Lead Manager and as stated in the relevant Transaction Documents of the subsequent issuances of Secured Perpetual Securities. Additionally, in respect of subsequent issuances of Secured Perpetual Securities, such minimum security cover and the Cash Factor is the Security Cover Formula shall be determined and shall be mutually agreed between the Issuer and the Lead Manager prior to such issuance of Secured Perpetual Securities.

Enforcement of Issue Security

The Issue Security for all tranches of Secured Perpetual Securities shall be immediately enforceable upon an event of winding up of the Issuer, i.e. when the final and effective order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer, provided that a stay on such order has not been granted by the relevant court of competent jurisdiction within thirty (30) days from the date of such order.

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"tranche" shall mean such Perpetual Securities with the same issue date, same First Call Date (as defined below), consist of the same terms and conditions, and where applicable, sharing the same security.

- (15) Details of guarantee, if applicable : Not guaranteed
- (16) Convertibility of issuance and details of the convertibility : Non-convertible
- (17) Exchangeability of issuance and details of the exchangeability : Non-exchangeable
- (18) Call option and details, if applicable : The Issuer may at its option redeem the relevant Perpetual Securities pursuant to a Redemption Event.
- Redemption Events
- The Issuer may redeem the Perpetual Securities pursuant to the following:
- (1) Optional Redemption (as defined below);
 - (2) Accounting Event Redemption (as defined below);
 - (3) Tax Event Redemption (as defined below);
 - (4) Leverage Event Redemption (as defined below);
 - (5) Privatisation Event Redemption (as defined below);
 - (6) Capital Reduction Event Redemption (as defined below);
 - (7) Change of Control Event Redemption (as defined below);
- (collectively, the "**Redemption Events**" and each a "**Redemption Event**").
- For the avoidance of doubt, none of the Redemption Events above shall result in the outstanding Perpetual Securities capable of being declared to be immediately due and payable.
- (19) Put option and details, if applicable : No put option
- (20) Details of covenants : Positive Covenants
- Positive covenants typical and customary for a transaction of this nature which shall include but not limited to the following:
- (1) the Issuer shall permit the accounts, reports, notices, statements or circulars as

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provided by the Issuer to the Trustee to be circulated by the Trustee at its discretion to the Perpetual Securities Holders and the qualified investors;

(2) the Issuer shall exercise reasonable diligence in carrying out its business and affairs in a proper and efficient manner and in accordance with sound financial and commercial standards and practices which should ensure, amongst others, that all relevant approvals or licences are obtained and maintained;

(3) the Issuer shall promptly defend itself against claims which could have a Material Adverse Effect (as defined below);

For purposes of these terms and conditions, "**Material Adverse Effect**" means in relation to any event, the occurrence of which, in the opinion of the Trustee, will have a material and adverse effect on:

(i) the business or financial condition of the Issuer, any of the Security Parties (as defined below) and/or its Principal Subsidiaries (as defined below); or

(ii) the ability of the Issuer or any of the Security Parties to perform any of its material obligations under any of the Transaction Documents; or

(iii) the legality, validity or enforceability of the Transaction Documents; or

(iv) the rights or remedies of the Trustee or the Perpetual Securities Holders under any of the Transaction Documents.

(4) each of the Issuer and the parties from time to time providing security to the Security Agent for the benefit of the Perpetual Securities Holders of the Secured Perpetual Securities ("**Security Parties**") shall promptly perform and carry out its obligations under the Transaction Documents to which it is a party;

(5) the Issuer shall at all times maintain a paying agent, or its equivalent, who is based in Malaysia;

(6) the Issuer shall procure that the Paying Agent shall notify the Trustee, through the Facility Agent, if the Paying Agent does not receive payment from the Issuer on the due dates as required under Trust Deed (as defined below) (unless deferment request has been given) and the terms and conditions of the Perpetual Securities;

(7) the Issuer shall maintain and keep proper books and accounts at all times in compliance with applicable statutory requirements and in accordance with the generally accepted accounting principles in Malaysia and shall provide as reasonably requested by the Trustee and any person appointed by it to access to such books and accounts to the extent permitted by related law;

(8) the Issuer will ensure that the terms in the Trust Deed do not contain any matter which is inconsistent with the provisions of the Information Memorandum;

(9) the Issuer shall redeem or settle in full all outstanding Perpetual Securities in accordance with the terms and conditions of the Perpetual Securities and the Trust Deed, when applicable;

(10) the Issuer shall ensure that the Security Cover is met at all relevant times, if applicable;

(11) the Issuer shall comply at all times with the provisions of the Trust Deed and terms and conditions of the Perpetual Securities at all times;

(12) the Issuer shall give to the Trustee any information which the Trustee may reasonably require in order to discharge its duties and obligations under the Trust Deed relating to the Issuer's affairs to the extent permitted by law; and

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(13) such other covenants as may be advised by the legal counsel of the Lead Arranger.

Negative covenants

Negative covenants typical and customary for a transaction of this nature which shall include but not limited to, wherein the Issuer shall not without the prior written consent of the Perpetual Securities Holders by way of a special resolution:

(1) save as required by any laws or regulations or regulatory bodies, subject to the Issuer immediately thereafter giving written notification of such alteration to the Trustee, add, delete, amend, supplement, vary or substitute its Memorandum and Articles of Association in a manner inconsistent with the provisions of the Transaction Documents or in a manner which may be materially prejudicial to the interests of the Perpetual Securities Holders;

(2) enter into any transaction, whether directly or indirectly with its directors, major shareholders and chief executive officer ("**Interested Persons**") unless:

(a) such transaction shall be on terms that are no less favourable to the Issuer than those which could have been obtained in a comparable transaction from persons who are not the Interested Persons;

(b) with respect to transactions involving an aggregate payment or value equal to or greater than the percentage ratio as provided in the Main Market Listing Requirements of Bursa Malaysia ("**Listing Requirements**"), the Issuer obtains certification from an independent adviser that the transaction is carried out on fair and reasonable terms,

provided that:

(i) the Issuer certifies to the Trustee that the transaction complies with paragraph (a) above;

(ii) the Issuer has received the certification referred to in paragraph (b) above (where applicable); and

(iii) the transaction has been approved by the majority of the board of directors or shareholders of the Issuer in a general meeting as the case may require;

(c) such transactions constitute a recurrent related-party transaction of a revenue or trading nature ("**RRPT**") which are provided for and permitted under the Listing Requirements,

provided that:

(i) the Issuer certifies to the Trustee that the transaction complies with paragraph (a) above;

(ii) the Issuer has obtained or renewed, where applicable, the shareholders' mandate in accordance with the said Listing Requirements; and

(iii) the Issuer furnishes at least one certificate to the Trustee in respect of the RRPT contemplated under one shareholders' mandate;

(3) change, utilise or allow the utilisation of the proceeds from the Perpetual Securities for any purposes other than for the purposes set out in the information memorandum and the Transaction Documents; and

(4) such other covenants as may be advised by the legal counsel of the Lead

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Arranger.

Financial Covenants

No financial covenant

Information Covenants

Information covenants typical and customary for a transaction of this nature shall include but not limited to:

(1) the Issuer shall provide to the Trustee at least on an annual basis, a certificate confirming to its best knowledge that it has complied with its obligations under the Transaction Documents and the terms and conditions of the Perpetual Securities and that there does not exist or had not existed, from the date the Perpetual Securities were issued or the date of the previous certificate, as the case may be, any Enforcement Event (as defined below), and if such is not the case, to specify the same;

(2) the Issuer shall deliver to the Trustee the following:

(a) as soon as they become available (and in any event within one hundred and eighty (180) days after the end of each of its financial years) copies of its financial statements for that year which shall contain the statements of comprehensive income and statements of financial position of the Issuer and which are audited and certified without qualification by a reputable firm of independent certified public accountants;

(b) as soon as they become available (and in any event within ninety (90) days after the end of the first half of its financial year) copies of its unaudited half yearly financial statements for that period which shall contain the statements of comprehensive income and statements of financial position of the Issuer which are duly certified by any one of its directors;

(c) promptly, such additional financial or other information relating to the Issuer's business and its operations as the Trustee may from time to time reasonably request in order to discharge its duties and obligations under the Trust Deed relating to the Issuer's affairs to the extent permitted by applicable law;

(d) promptly, all related notices or other documents received or dispatched by the Issuer from or to any of its shareholders or its creditors which contents would materially and adversely affect the interests of the Perpetual Securities Holders; and

(e) promptly, the account statements of the Escrow Account.

(3) the Issuer shall promptly but in any case within three (3) business days, notify the Trustee if the Issuer becomes aware:

(a) of any Enforcement Event;

(b) of the happening of any event that has caused or could cause, one or more of the following:

(i) any amount payable under the Perpetual Securities to become immediately payable;

(ii) any Perpetual Securities to become immediately enforceable; or

(iii) any other right or remedy under the terms, provisions or covenants of the

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Perpetual Securities Programme or the Trust Deed to become immediately enforceable and it is not remedied within fourteen (14) days;

(c) of any material circumstance that has occurred that would materially prejudice the Issuer, any Security Parties and/or any security created pursuant to the Perpetual Securities Programme;

(d) of any substantial or material adverse change in the nature of the business or financial condition of the Issuer and/or any Security Parties;

(e) any claims against the Issuer and/or any Security Parties which could have a Material Adverse Effect;

(f) of any change in withholding tax position or taxing jurisdiction of the Issuer;

(g) of any change in the utilisation of proceeds from the Perpetual Securities Programme where the Transaction Documents or the Information Memorandum set out a specific purpose for which proceeds are to be utilised;

(h) any change in the directorship, management and shareholder of the Issuer and/or the Security Parties that would have a Material Adverse Effect on the Issuer and/or the Security Parties;

(i) of any other matter that may materially prejudice the interests of the Perpetual Securities Holders; and

(4) such other covenants as may be advised by the legal counsel of the Lead Arranger.

(21) Details of designated account, if applicable :

Name of account:
Escrow Account

Parties responsible for opening the account:
Issuer

Parties responsible for maintaining/operating account:
Security Agent

Signatories to account:
Security Agent

Sources of funds:
Please refer to the section entitled *Other Terms and Conditions- "Details of Designated Accounts – First Issuance"*.

Utilisation of funds:
Please refer to the section entitled *Other Terms and Conditions- "Details of Designated Accounts – First Issuance"*.

Additional Notes:
For each issuance of Secured Perpetual Securities, the Issuer shall open an Escrow Account.

For the avoidance of doubt, in respect of subsequent issuances of Secured Perpetual Securities, the Issuer is to open and maintain an Escrow Account with a bank acceptable to the Lead Manager and the Security Agent. The operations of such Escrow Account, for such subsequent issuance(s), shall be mutually agreed

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between the Issuer and the Lead Manager prior to such subsequent issuance of Secured Perpetual Securities and shall be similar to the operations of the Designated Account(s) in respect of the First Issuance unless otherwise stated in the relevant Transaction Documents of the subsequent issuances of Secured Perpetual Securities.

(22) Name of credit rating: Not rated
agency, credit rating
and amount rated, if
applicable

(23) Conditions precedent : Conditions precedent for the establishment of the Perpetual Securities Programme and the First Issuance

The conditions precedent for the establishment of the Perpetual Securities Programme and the First Issuance shall include but not limited to the following (in each case in form and substance acceptable to the Lead Arranger):

(1) Main Documentation

(a) Satisfactory completion and execution of all Transaction Documents (save for the Land Charge) in respect of the Perpetual Securities Programme and duly endorsed as exempted under Stamp Duty Exemption (No. 23) Order 2000, and where relevant, presented for registration with the relevant authorities.

(b) Evidence that the Escrow Account - First Issuance has been opened in accordance with the provisions of the Transaction Documents.

(c) All relevant notices of assignment and acknowledgements thereto (where applicable) under the relevant Security Documents have been made or received, as the case may be, if applicable.

(d) Receipt of the evidence that the form as prescribed under the Companies Act 2016 in respect of the charges created under the relevant Security Documents (save for the Land Charge) for the purpose of registration of such charges with the Companies Commission of Malaysia ("CCM") in accordance with Section 352 of the Companies Act 2016 have been duly lodged with the CCM, if applicable.

(e) Receipt of evidence that the relevant Transaction Documents (save for the Land Charge) which contain a power of attorney clause have been presented to the High Court of Malaya for the registration of the power of attorney therein contained, if applicable.

(f) Receipt of a satisfactory valuation report, from any one or more of the agreed panel valuers, addressed to the Security Agent or Lead Arranger, in respect of the First Issue Secured Property dated no earlier than one (1) year prior to the proposed issue date of the First Issuance.

(g) Evidence that the consents and approvals required from any third party, if any, in connection with the First Issuance including to provide the security for the First Issuance, shall have been obtained and remain valid.

(2) The Issuer

(a) Certified true copies of the Certificate of Incorporation, Certificate of Incorporation on Change of Name and the Memorandum and Articles of Association of the Issuer.

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(b) Certificate true copies of the latest forms as prescribed under sections 78 (Return of allotment), 46 (Registered office and office hours) and 58 (Duty to notify of particulars and changes of director, manager and secretary) of the Companies Act 2016 of the Issuer.

(c) Certified true copy of board resolution(s) of the Issuer authorising, amongst others, the issuance of the Perpetual Securities by the Issuer and for the Issuer to enter into and execute all the Transaction Documents.

(d) A list of the Issuer's authorised signatories and their respective specimen signatures.

(e) A report of the relevant company search on the Issuer.

(f) A report of the relevant winding-up search on the Issuer which revealed that no winding-up order has been made against the Issuer.

(3) The Security Parties

(a) Certified true copies of the constitution or Certificate of Incorporation, Certificate of Incorporation on Change of Name (if applicable) and the Memorandum and Articles of Association of each of the Security Parties.

(b) Certificate true copies of the latest forms as prescribed under sections 78 (Return of allotment), 46 (Registered office and office hours) and 58 (Duty to notify of particulars and changes of director, manager and secretary) of the Companies Act 2016 of each of the Security Parties.

(c) Certified true copy of board resolution(s) of each of the Security Parties authorising, amongst others, the provision of security in respect of the Perpetual Securities Programme and for each of the Security Parties to enter into and execute all relevant Security Documents.

(d) A list of each of the Security Parties' authorised signatories and their respective specimen signatures.

(e) A report of the relevant company search on each of the Security Parties.

(f) A report of the relevant winding-up search on each of the Security Parties which revealed that no winding-up order has been made against each of the Security Parties.

(4) General

(a) Evidence that the relevant information and documents as required under the LOLA Framework in respect of the Perpetual Securities Programme have been lodged with the SC.

(b) Receipt of satisfactory legal opinion addressed to the Lead Arranger and the Trustee from the Solicitors with respect to, amongst others, the legality, validity and enforceability of the Transaction Documents and written confirmation on compliance of all conditions precedent set out herein.

(c) Documentary evidence that the Trustees' Reimbursement Account has been established and the deposit of at least RM30,000.00 has been made, or arrangements have been made for the deposit of RM30,000.00 to be made.

(d) Evidence that all fees, costs and expenses in relation to the Perpetual Securities Programme have been paid in full to the extent that the same are due and payable and/or evidence that arrangements have been made for all fees, costs

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and expenses in relation to the Perpetual Securities Programme to be paid.

(e) Receipt of the results of the legal due diligence on the Issuer satisfactory to the Lead Arranger.

(f) such other conditions precedent as may be advised by the legal counsel of the Lead Arranger.

Conditions precedent to subsequent issuances of the Perpetual Securities under the Perpetual Securities Programme excluding the First Issuance

The conditions precedent to subsequent issuance of the Perpetual Securities under the Perpetual Securities Programme excluding the First Issuance shall include but not limited to the following (in each case in form and substance acceptable to the Lead Manager):

(1) Satisfactory completion and execution of the relevant Transaction Documents in respect of the Perpetual Securities and duly endorsed as exempted under Stamp Duty Exemption (No. 23) Order 2000, and where relevant, presented for registration with the relevant authorities.

(2) Where there is an issuance of Secured Perpetual Securities, evidence that an Escrow Account has been opened in accordance with the provisions of the Transaction Documents.

(3) All relevant notices of assignment and acknowledgements thereto (where applicable) under the relevant Security Documents have been made or received, as the case may be, if applicable.

(4) Receipt of the evidence that the form as prescribed under the Companies Act 2016 in respect of the charges created under the relevant Security Documents for the purpose of registration of such charges with the CCM in accordance with Section 352 of the Companies Act 2016 have been duly lodged with the CCM, if applicable.

(5) Receipt of evidence that the relevant Transaction Documents which contain a power of attorney clause have been presented to the High Court of Malaya for the registration of the power of attorney therein contained, if applicable.

(6) Receipt of a satisfactory valuation report, from any one or more of the agreed panel valuers, addressed to the Security Agent or Lead Manager, in respect of the Secured Properties dated no earlier than one (1) year prior to the proposed issue date of such issuance of Perpetual Securities, if applicable.

(7) Evidence that the consents and approvals required from any third party, if any, in connection with the issuance of Perpetual Securities including to provide the security for the issuance, shall have been obtained and remain valid.

(8) The Security Parties

(a) Certified true copies of the constitution or Certificate of Incorporation, Certificate of Incorporation on Change of Name (if applicable) and the Memorandum and Articles of Association of each of the Security Parties.

(b) Certificate true copies of the latest forms as prescribed under sections 78 (Return of allotment), 46 (Registered office and office hours) and 58 (Duty to notify of particulars and changes of director, manager and secretary) of the Companies Act 2016 of each of the Security Parties.

(c) Certified true copy of board resolution(s) of each of the Security Parties

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authorising, amongst others, the provision of security in respect of the Perpetual Securities Programme and for each of the Security Parties to enter into and execute all relevant Security Documents.

(d) A list of each of the Security Parties' authorised signatories and their respective specimen signatures.

(e) A report of the relevant company search on each of the Security Parties.

(f) A report of the relevant winding-up search on each of the Security Parties which revealed that no winding-up order has been made against each of the Security Parties.

(9) Receipt of satisfactory legal opinion addressed to the Lead Manager and the Trustee from the Solicitors with respect to, amongst others, the legality, validity and enforceability of the Security Documents and written confirmation on compliance of all conditions precedent to such issuance of Perpetual Securities.

(10) such other conditions precedent as may be advised by the legal counsel of the Lead Arranger.

Conditions Subsequent to the First Issuance

The conditions subsequent to the First Issuance of the Perpetual Securities under the Perpetual Securities Programme shall include but not limited to the following (in each case in form and substance acceptable to the Lead Manager) within three (3) months from the issue date of the First Issuance or such other date as extended by the Security Agent:

(1) satisfactory completion and execution of the Land Charge and duly endorsed as exempted under Stamp Duty Exemption (No. 23) Order 2000, and where relevant, presented for registration with the relevant authorities.

(2) receipt of the evidence that the form as prescribed under the Companies Act 2016 in respect of the charges created under the Land Charge for the purpose of registration of such charges with CCM in accordance with Section 352 of the Companies Act 2016 have been duly lodged with the CCM, if applicable.

(3) redemption statements of the existing banking facility(ies) granted by Public Bank Berhad and Public Investment Bank Berhad to Kar Sin Berhad to be refinanced by the First Issuance, has(ve) been obtained.

(4) such other conditions subsequent as may be advised by the legal counsel of the Lead Arranger.

(24) Representations and warranties

Representations and warranties typical and customary for a transaction of this nature which shall include but not limited to the following:

(1) the Issuer is a company with limited liability duly incorporated and validly existing under the laws of Malaysia and has full power and authority to own its properties and assets and to carry on its business;

(2) the Issuer has power and authority to enter into the Transaction Documents and to perform its obligations under the Transaction Documents;

(3) the entry into and the exercise of the Issuer's rights and obligations under the Transaction Documents do not violate any existing applicable law or regulation or agreements to which it is a party;

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(4) all relevant actions, authorisations and consents required under the Transaction Documents on part of the Issuer have been obtained and remain in full force and effect;

(5) the Transaction Documents constitute legal, valid, binding and enforceable obligations of the Issuer in accordance with their terms;

(6) save as provided for in the Conditions Precedent, no registration, recording, filing or notarisation of the Transaction Documents and no payment of any duty or tax and no other action whatsoever is necessary or desirable to ensure the validity or enforceability in Malaysia of the liabilities and obligations of the Issuer or the rights of the Trustee and the Security Agent under the Transaction Documents in accordance with their terms or to ensure the admissibility in evidence in Malaysia of the Transaction Documents;

(7) to the best of the Issuer's knowledge and belief as at the date of the Transaction Documents, there is no change of relevant law and no related governmental action has occurred which would make it materially improbable for the Issuer to perform its covenants and obligations under the Transaction Documents;

(8) the audited consolidated financial statements (including the statements of comprehensive income and statements of financial position) of the Issuer for each of its financial year are prepared in accordance with generally accepted accounting principles and standards in Malaysia and represent a true and fair view of the results of its operations for that year and the state of its affairs at that date;

(9) there has been no change in its business and financial condition of the Issuer since the date of the latest audited consolidated financial statements of the Issuer which will have a Material Adverse Effect;

(10) there is no litigation, arbitration, winding up or administrative proceeding or any other proceeding or claim which is not set aside within sixty (60) days from its commencement and which might by itself or together with any other such proceedings or claims which will have a Material Adverse Effect, is presently in progress involving the Issuer;

(11) there has been no event or occurrence which constitutes a violation of the law or contravention of or default under any agreement, by the Issuer which will have a Material Adverse Effect; and

(12) such other representations and warranties as may be advised by the legal counsel of the Lead Arranger.

"Principal Subsidiaries" means any subsidiary of the Issuer whose profits or losses after tax or (in case of a subsidiary which itself has subsidiaries) consolidated losses or profits after tax, as shown by its latest audited consolidated financial statements of comprehensive income corresponding to the latest audited consolidated financial statements of comprehensive income of the Issuer, are at least 10% of the consolidated profits or losses (as the case may be) after tax as shown by the latest audited consolidated financial statements of comprehensive income of the Issuer.

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(25) Events of defaults or : enforcement events, where applicable, including recourse available to investors

Events of Default

There are no events of default which will entitle the Trustee or the Perpetual Securities Holders to declare that any or all amounts under the Perpetual Securities to be immediately due and payable.

Enforcement Events

Upon occurrence of any Enforcement Event, the Enforcement Remedy (as defined hereafter) may be enforced.

The Enforcement Events are as follows:

(1) The Issuer fails to pay (a) the Coupon Payment (as defined below) on the Perpetual Securities when due (for this purpose, such payment will not be due if the Issuer has elected to request deferment by giving the Deferral Notice (as defined below) to the Facility Agent and the Trustee (for and on behalf of the Perpetual Securities Holders); or (b) the relevant Redemption Price (as defined below) on the Perpetual Securities when due (following a Redemption Event), and such failure under items (a) and/or (b) continues for a period of seven (7) business days consecutively; or

(2) A court order is made or an effective resolution is passed for the liquidation, winding-up or dissolution of the Issuer provided that such liquidation, winding up/dissolution is not set aside within sixty (60) days upon same being served on the Issuer ("**Winding-Up**").

For the avoidance of doubt, a breach of covenant by the Issuer (apart from failure to pay the amounts stated under item (1) above) will not constitute an Enforcement Event.

Enforcement Remedy

Upon the occurrence of item (1) of the Enforcement Event above, the Trustee may at its discretion or shall, if directed to do so by a special resolution of the Perpetual Securities Holders, declare that an Enforcement Event has occurred and without further notice institute proceedings for the winding-up of the Issuer and/or prove in the winding-up of the Issuer and/or claim in the liquidation of the Issuer for such payment, if applicable, provided that the Perpetual Securities Holders shall have no right to accelerate payment of the Perpetual Securities in the case of item (1) of the Enforcement Events.

Upon the occurrence of item (2) of the Enforcement Events above, the Trustee may at its discretion or shall, if directed to do so by a special resolution of the Perpetual Securities Holders, declare that an Enforcement Event has occurred and that all the outstanding Perpetual Securities together with outstanding Coupon Payment are immediately due and payable by the Issuer and in respect of the Secured Perpetual Securities, the security shall immediately become enforceable.

Without prejudice to the above, the Trustee may at its discretion or shall, if directed to do so by a special resolution of the Perpetual Securities Holders, without further notice, institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Perpetual Securities Programme and the Trust Deed (other than any payment obligation of the Issuer under or arising from the relevant Transaction Documents, including, without limitation, payment of the nominal value or satisfaction of any Coupon Payment in respect of the Perpetual Securities including any damages awarded for breach of any obligations) and in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise,

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sooner than the same would otherwise have been payable by them.

For the avoidance of doubt, it is not allowed under the terms and conditions of the Perpetual Securities Programme for acceleration of payments of the Perpetual Securities, save for an Enforcement Event under item (2) above.

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- (26) Governing laws : The Perpetual Securities and the Transaction Documents shall be governed by the laws of Malaysia.
- (27) Provisions on buy-back, if applicable : The Issuer, its subsidiaries, its related corporations or its agents may purchase the Perpetual Securities in the open market or by private treaty. Perpetual Securities purchased by the Issuer, its subsidiaries or its agents shall be cancelled and cannot be reissued or resold.
- (28) Provisions on early redemption, if applicable : The Perpetual Securities are issued on a perpetual basis and may only be redeemed by the Issuer upon the occurrence of any of the Redemption Events at the relevant Redemption Price.
- The Perpetual Securities redeemed by the Issuer shall be cancelled and cannot be reissued or resold.
- (29) Voting : The Perpetual Securities Holders shall have no voting rights as shareholders in the Issuer.
- Voting by the Perpetual Securities Holders under the Perpetual Securities Programme shall be carried out on a "per tranche" basis.
- (30) Permitted investments, if applicable : Permitted investments means:
- (1) deposits with licensed financial institutions;
 - (2) banker acceptances, bills, money market instruments issued by licensed financial institutions with a short-term rating of P1 or MARC-1 and a minimum long-term rating of AA3 or AA- or its equivalent;
 - (3) money market funds which are approved by the Securities Commission Malaysia ("**SC**");
 - (4) principal protected structured investments approved by BNM and issued by licensed financial institutions with a short-term rating of P1 or MARC-1 and a minimum long-term rating of AA3 or AA- or its equivalent or their local or foreign equivalents;
 - (5) treasury bills, money market instruments, and any other securities instruments issued by BNM or the Government of Malaysia; and
 - (6) corporate bonds/Sukuk issued by corporations, financial institutions, or guaranteed by licensed financial institutions with a short-term rating of P1 or MARC-1 and a minimum long-term rating of AA3 or AA- or its equivalent,
- Provided that the Permitted Investments standing to the credit of the Escrow Account shall mature before the next Call Date (as defined below).
- (31) Ta'widh (for ringgit-denominated sukuk) : Not applicable
- (32) Ibra' (for ringgit-) : Not applicable

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denominated sukuk)

(33) Kafalah (for ringgit-denominated sukuk) : Not applicable

(34) Waivers from complying with Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and other relevant guidelines of the SC obtained for the facility/programme, if any : Approval from the SC for waivers from compliance with certain paragraphs of the Trust Deeds Guidelines has been obtained on 11 April 2019 ("**SC Waiver Letter**").