

**STRICTLY PRIVATE & CONFIDENTIAL**

**INFORMATION MEMORANDUM DATED 12 DECEMBER 2019**

**SEMANGKUK BERHAD**

(Registration No. 200701018605 (776616-T))

(Incorporated in Malaysia under the Companies Act)

**Ringgit Malaysia Two Thousand Million RM2,000,000,000.00 Nominal Amount Asset-Backed Medium Term Notes Programme**

**Take-out Medium Term Notes of the Unrated Category in the nominal amount of RM445.0 million to refinance the outstanding Bridge Medium Term Notes that were issued by the Issuer to acquire the Refinanced Properties (as defined below) (“Take-out MTNs 2019-A(U)”)**

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The Take-out MTNs 2019-A(U) to be issued under the RM2,000,000,000.00 Nominal Amount Asset-Backed Medium Term Notes Programme (“**MTN Programme**”) by Semangkuk Berhad (the “**Issuer**”), is constituted by a trust deed (the “**Trust Deed**”) entered into by the Issuer and CIMB Islamic Trustee Berhad as the trustee (the “**Trustee**”). The obligations of the Issuer under the Take-out MTNs 2019-A(U) will be secured by the Security Documents (as defined herein) subject to the provisions of the Priority and Security Sharing Agreement (as defined herein).

Only the Take-out MTNs 2019-A(U) are being offered hereby. The first issuance of Notes (as defined herein) under the MTN Programme comprising Bridge MTNs (as defined herein) was on 18 February 2009. The Take-out MTNs 2019-A(U) shall represent the first issuance of take-out medium term notes of the unrated series category under the MTN Programme.

Interest on the Take-out MTNs 2019-A(U) will accrue from and including the Issue Date (as defined herein) and will be payable quarterly in arrears on each Coupon Payment Date (as defined herein) on the face amount of the Take-out MTNs 2019-A(U) outstanding. Unless previously redeemed in full or cancelled, the Take-out MTNs 2019-A(U) are expected to be redeemed on its expected maturity date.

The Take-out MTNs 2019-A(U) will represent direct, secured and limited recourse obligations of the Issuer and will not be obligations or responsibilities of, or insured or guaranteed by, any other person or entity. In particular, the Take-out MTNs 2019-A(U) will not be obligations or responsibilities of, or insured or guaranteed by the Lead Arranger and Lead Manager, the Sponsor or the Originators (all as defined herein) or any affiliates of the foregoing. The sources of cash flow to make payments of principal and interest under the Take-out MTNs 2019-A(U) are derived from the Unrated Take-out Properties.

The Take-out MTNs 2019-A(U) shall be in bearer form and represented by Global Certificates to be deposited with BNM. The Global Certificates will only be exchangeable for Definitive Certificates under certain circumstances as prescribed in the Trust Deed.

**Lead Arranger**



**CIMB INVESTMENT BANK BERHAD**  
(Registration No. 197401001266 (18417-M))

**Lead Manager**



**PUBLIC INVESTMENT BANK BERHAD**  
(Registration No. 197401002880 (20027-W))

## IMPORTANT NOTICE

The Take-out MTNs 2019-A(U) shall consist of unrated senior ranking Class A take-out medium term notes and unrated junior ranking take-out medium term notes.

The Take-out MTNs 2019-A(U) may not be offered, sold, transferred or otherwise disposed, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons to whom the offer or invitation to subscribe or purchase the Take-out MTNs 2019-A(U) are issued would fall within:

- i) At the point of issuance of the Take-out MTNs 2019-A(U), Schedule 6 or Section 229(1)(b), and Schedule 7 or Section 230(1)(b) of the CMSA; read together with Schedule 9 or Section 257(3) of the CMSA as amended from time to time.
- ii) After the issuance of the Take-out MTNs 2019-A(U), Schedule 6 or Section 229(1)(b) of the CMSA; read together with Schedule 9 or Section 257(3) of the CMSA as amended from time to time.

The Take-out MTNs 2019-A(U) are tradeable and transferable subject to the above selling restrictions.

No application is being made to list the Take-out MTNs 2019-A(U) on any stock exchange, nor is any such application contemplated.

The Sponsor is responsible for all of the information in respect of itself, the transaction generally and the Originators of the Properties which were previously acquired by the Issuer using the issue proceeds of the Bridge MTNs (“**Sponsor Information**”). The Sponsor confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the Sponsor Information false or misleading.

The Servicer is responsible for all of the information in respect of itself in this Information Memorandum (“**Servicer Information**”). The Servicer confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the Servicer Information false or misleading.

The Asset Manager is responsible for all of the information in respect of itself in this Information Memorandum (“**Asset Manager Information**”). The Asset Manager confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the Asset Manager Information false or misleading.

The Lead Arranger is responsible for all of the information in respect of itself in this Information Memorandum (“**LA Information**”). The Lead Arranger confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the LA Information false or misleading.

The Lead Manager is responsible for all of the information in respect of itself in this Information Memorandum (“**LM Information**”). The Lead Manager confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the LM Information false or misleading.

The Issuer is responsible for all of the information included in this Information Memorandum other than the information in respect of the Originator’s, the Sponsor’s, the Asset Manager’s, the Servicer’s, the LA’s Information and the LM’s Information (“**Other Information**”). The Issuer confirms that, after having made all reasonable enquiries, there are no false or misleading statements or other facts, the omission of which would make any statement in the Other Information false or misleading.

The Lead Arranger and Lead Manager have not separately verified the information contained in this Information Memorandum. The Lead Arranger and Lead Manager do not make any representation, warranty or undertaking, expressed or implied, or accept any responsibility, with respect to the authenticity, origin, validity, accuracy or completeness of any of the information in this Information Memorandum, except as provided by Malaysian laws. Neither this Information Memorandum nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Lead Arranger and Lead Manager that any of the recipients of this Information Memorandum should purchase the Take-out MTNs 2019-A(U). This Information Memorandum is not a substitute for, and should not be regarded as, an independent evaluation and analysis and does not purport to be all-inclusive. The Lead Arranger and Lead Manager do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum or to advise any investor or potential investor in the Take-out MTNs 2019-A(U) of any information coming to its attention.

The information in this Information Memorandum supersedes all other information and material previously supplied (if any) to the recipients. By taking possession of this Information Memorandum, the recipients are acknowledging and agreeing and are deemed to have acknowledged and agreed that they will not rely on any previous information supplied. No person is authorised to give any information or data or to make any representation or warranty other than as contained in this Information Memorandum and, if given or made, any such information, data, representation or warranty must not be relied upon as having been authorised by the Issuer, the Lead Arranger and/or Lead Manager or any other person.

Each potential investor in the Take-out MTNs 2019-A(U) should determine for itself the relevance of the information in this Information Memorandum and its investment should be, and shall be deemed to be, based upon such investigation as it deems necessary.

This Information Memorandum has not been and will not be made to comply with the laws of any country (including its territories, all jurisdictions within that country and any possession areas subject to its jurisdiction), other than Malaysia (a “**Foreign Jurisdiction**”), and has not been and will not be lodged, registered or approved pursuant to or under any legislation of (or with or by any regulatory authorities or other relevant bodies of) any Foreign Jurisdiction and it does not constitute an issue or offer of, or an invitation to subscribe for or purchase the Take-out MTNs 2019-A(U) or any other securities of any kind to any party in any Foreign Jurisdiction.

The distribution or possession of this Information Memorandum in or from certain jurisdictions may be restricted or prohibited by law. Each recipient is required by the Issuer, the Lead Arranger and the Lead Manager to seek appropriate professional advice regarding to, and observe, any such restriction or prohibition. Neither the Issuer nor the Lead Arranger nor the Lead Manager accepts any responsibility or

liability to any person in relation to the distribution or possession of this Information Memorandum in or from any such jurisdiction. In particular, the Take-out MTNs 2019-A(U) have not been and will not be registered under the United States Securities Act of 1933 and are subject to United States tax law requirements. Subject to certain exemption, the Take-out MTNs 2019-A(U) may not be offered, sold or delivered in the United States or to United States persons.

This Information Memorandum is not and is not intended to be a prospectus.

A copy of this Information Memorandum will be deposited with the SC (as herein defined) who takes no responsibility for its contents.

The SC has on 19 December 2007 approved the issue, offer or invitation in respect of the Notes and the approval shall not be taken to indicate that the SC recommends the Notes. The SC has on 4 June 2008 approved the extension of 6 months and on 16 January 2009 approved the extension of a further 6 months for implementation of the Securitisation Programme. The SC shall not be liable for any non-disclosure on the part of the Issuer and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Information Memorandum.

In considering the purchase of the Take-out MTNs 2019-A(U) as an investment, no person is authorised to directly or indirectly copy or give this Information Memorandum to any other person.

Neither the delivery of this Information Memorandum nor the offering, sale or delivery of the Take-out MTNs 2019-A(U) shall in any circumstance create any implication that there has not been any adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, the Originators, the Sponsor, the Servicer, the Asset Manager or any other person or of any of the assets of the Issuer, the Originators, the Sponsor, the Servicer, the Asset Manager or any other person since the date of this Information Memorandum.

No offering literature or advertisement in any form may be used in connection with this offering except as set forth in this Information Memorandum. No persons other than the Issuer and the Sponsor and its respective agent or employees are authorised to make representations or to give any information about the Take-out MTNs 2019-A(U) except for the information contained in this Information Memorandum. If any unauthorised information is given or made, such information should not be relied upon as having been given or made by the Issuer and/or the Sponsor.

As at the date hereof, this Information Memorandum does not contain any untrue statements or omission of material fact necessary to make the statements not misleading and contains a fair summary of material terms of documents stated to be summarised. Any opinion and intention expressed in this Information Memorandum are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions.

This Information Memorandum should not be considered legal advice. Each investor should consult his legal counsel.

No person should purchase the Take-out MTNs 2019-A(U) unless he is personally convinced and/or advised by a qualified advisor of his choosing that this investment is financially suitable for him, after considering the information disclosed in this Information Memorandum.

**FOR A DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE NOTES, SEE SECTION “RISK FACTORS” IN THIS INFORMATION MEMORANDUM.**

**EACH ISSUE AND EACH CLASS OF THE NOTES CARRY DIFFERENT RISKS AND ALL POTENTIAL INVESTORS ARE STRONGLY ENCOURAGED TO EVALUATE EACH NOTES ISSUE AND EACH CLASS ON ITS OWN MERITS AND RISKS OF INVESTMENT.**

**THE SECURITIES COMMISSION HAS APPROVED THE MTN PROGRAMME. APPROVAL OF THE SECURITIES COMMISSION SHALL NOT BE TAKEN AS A RECOMMENDATION BY THE SECURITIES COMMISSION TO PURCHASE THE NOTES.**

**MAPLETREELOG (M) HOLDINGS SDN. BHD., THE SPONSOR, DOES NOT IN ANY WAY STAND BEHIND THE NOTES NOR GUARANTEE THE REPAYMENT OF THE NOTES.**

**PANCURAN BAIDURI SDN. BHD., ZENTRALINE SDN. BHD., MAPLETREE MIF MALAYSIA 2 SDN. BHD., WELL-BUILT HOLDINGS SDN. BHD., CARRYMELL (M) SDN. BHD., MAYPEX VENTURES SDN. BHD. AND MAPLETREELOG (M) HOLDINGS SDN. BHD., THE ORIGINATORS IN RELATION TO THE BRIDGE MTNS PREVIOUSLY ISSUED FOR THE REFINANCED PROPERTIES COVERED IN THIS INFORMATION MEMORANDUM, DO NOT IN ANY WAY STAND BEHIND THE NOTES NOR GUARANTEE THE REPAYMENT OF THE NOTES.**

If you have any dispute in relation to your subscription of the Take-out MTNs 2019-A(U), you may refer the dispute to the Securities Industry Dispute Resolution Centre (SIDREC).

## **Confidentiality**

This Information Memorandum and its contents are strictly confidential and the information herein contained is given to the recipient strictly on the basis that the recipient shall ensure the same remains confidential. Accordingly, this Information Memorandum and its contents, or any information, which is made available to the recipient in connection with any further enquiries, must be held in complete confidence.

This Information Memorandum is provided to investors of the Take-out MTNs 2019-A(U) only.

In the event that there is any contravention of this confidentiality undertaking or there is reasonable likelihood that this confidentiality undertaking may be contravened, the Issuer may, at its discretion, apply for any remedy available to the Issuer whether at law or equity, including without limitation, injunctions. The Issuer is entitled to fully recover from the contravening party all cost, expenses and losses incurred and/or suffered, in this regard. For the avoidance of doubt, it is hereby deemed that this confidentiality undertaking shall be imposed upon the recipient's professional advisers, directors, employees and any other persons concerned with the MTN Programme and the Take-out MTNs 2019-A(U).

The recipient must return this Information Memorandum and all reproductions whether in whole or in part and any other information in connection therewith to the Lead Arranger/Lead Manager promptly upon the Lead Arranger's/Lead Manager's request, unless that recipient provides proof of a written undertaking satisfactory to the Lead Arranger/Lead Manager with respect to destroying these documents as soon as reasonably practicable after the said request from the Lead Arranger/Lead Manager.

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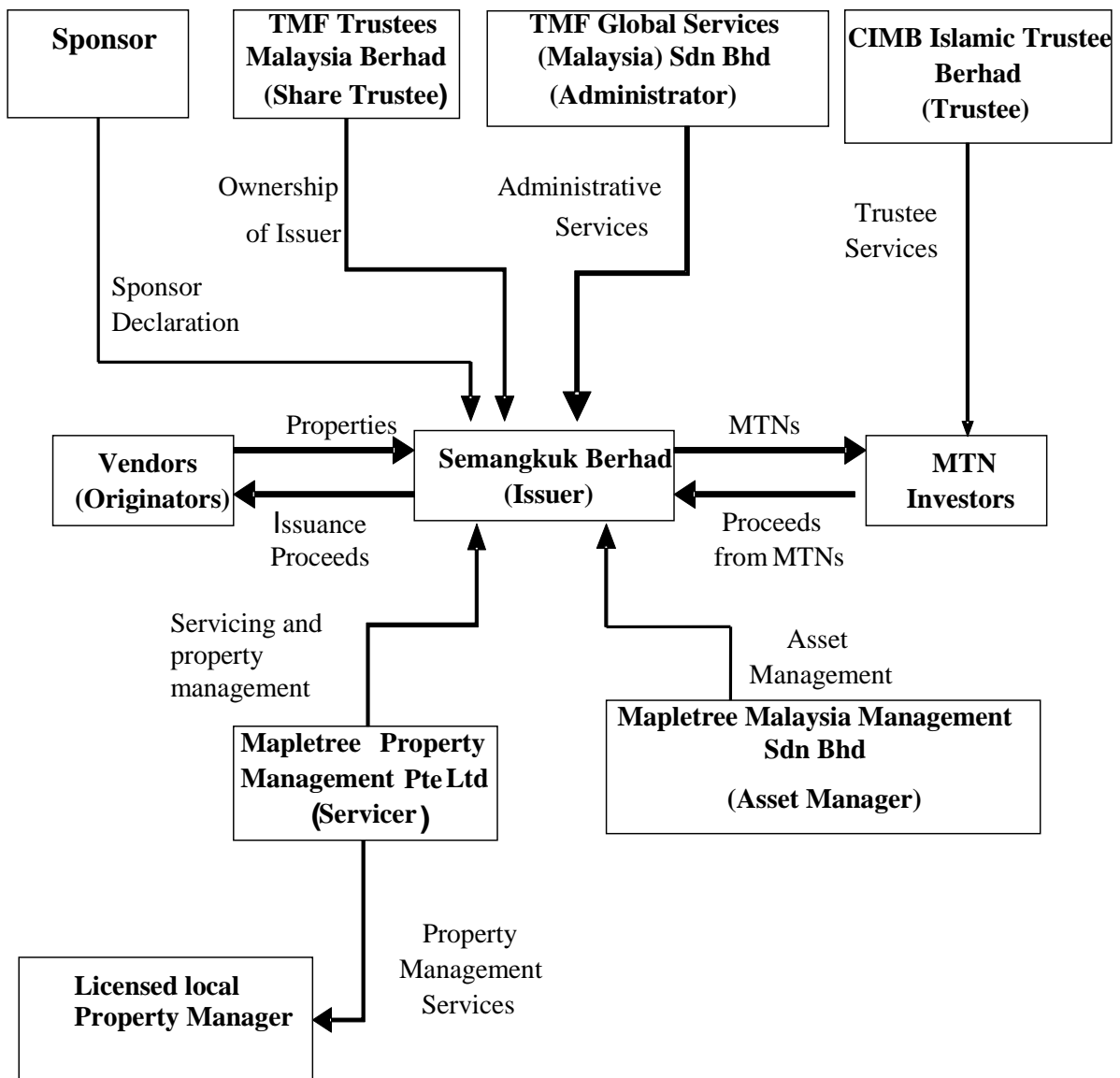
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## SECTION 1.0: PROGRAMME SUMMARY

The following description is a summary of the transaction and assets underlying the Notes generally. The information set out in this section and the following information relating to the issue of the Notes is qualified in its entirety by, and must be read in conjunction with, the further detailed information appearing elsewhere in this Information Memorandum, the Issue Documents and the Transaction Documents.

Diagrammatic Overview of Transaction Parties

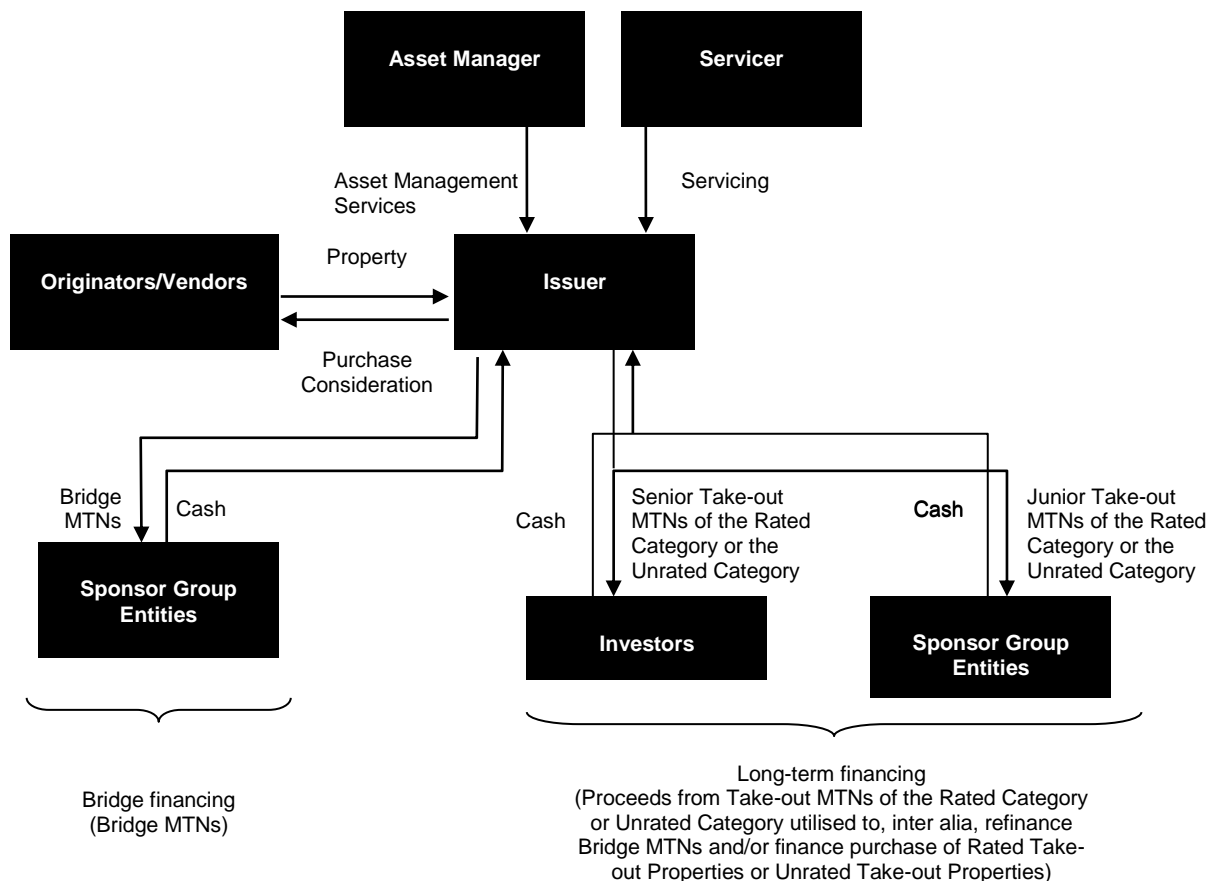




Issuer	Semangkuk Berhad (Registration No. 200701018605 (776616-T)), a company incorporated in Malaysia and having its registered address at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur.
Originators	the owner/vendor of the Properties or, as the case may be, the originator as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties.
Sponsor	MapletreeLog (M) Holdings Sdn Bhd (Registration No. 200501005172 (682219-X)), a company incorporated in Malaysia and having its registered address at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.
Servicer	Mapletree Property Management Pte Ltd (Company No. 200504094Z), a company incorporated in Singapore and having its registered address at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438.
Asset Manager	Mapletree Malaysia Management Sdn Bhd (Registration No. 200401033310 (671818-X)), a company incorporated in Malaysia and having its registered address at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.
Lead Arranger of the MTN Programme	CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.
Lead Manager of Take-out MTNs 2019-A(U)	Public Investment Bank Berhad (Registration no. 197401002880 (20027-W)), a company incorporated in Malaysia and having its registered office at 25th Floor, Menara Public Bank, 146, Jalan Ampang, 50450 Kuala Lumpur.
Rating Agency	RAM Rating Services Berhad (Registration No. 200701005589 (763588-T)), a company incorporated in Malaysia and having a principal place of business at No. 19-G, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.
Trustee	CIMB Islamic Trustee Berhad (Registration No. 198801000556 (167913-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.
Share Trustee	TMF Trustees Malaysia Berhad (Registration No. 200301008392 (610812-W)), a company incorporated in Malaysia and having its registered address at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur.
Administrator	TMF Global Services (Malaysia) Sdn. Bhd. (Registration No. 199801007416 (463543-D)) a company incorporated in Malaysia and having its registered address at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur.
Facility Agent	CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.
Calculation Agent	CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.
Central Securities Depository and Paying Agent	PayNet, as agent of Bank Negara Malaysia.

## Securitisation Programme Overview

An outline of the Securitisation Programme is illustrated as follows: -



## Summary of the Securitisation Programme

The Issuer will, from time to time, issue asset-backed medium term notes under a medium term notes programme of up to Ringgit Malaysia Two Billion (RM2,000,000,000.00) in nominal value to inter alia, finance the acquisition of the Properties from the owners of the Properties or, as the case may be, the transfer or assignment of the rights, title and interest of the originator as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties.

Under the MTN Programme, the Issuer will from time to time issue MTNs comprising:

- (i) bridge medium term notes with an early redemption option (the “**Bridge MTNs**”) to, inter alia, bridge finance the purchase of the Properties. The Bridge MTNs shall be subscribed in full by the Sponsor Group Entities; and
- (ii) take-out medium term notes under the Rated Category or the Unrated Category (the “**Take-out MTNs**”) comprising multiple tranches of variously-ranked Notes to inter alia, refinance all or a portion of any outstanding Bridge MTNs which shall be redeemed at par and/or to finance the

purchase of the Properties. The senior ranking Take-out MTNs under the Rated Category or the Unrated Category (the “**Senior Take-out MTNs**”) will be issued to investors falling within the relevant Selling Restrictions and the junior ranking Take-out MTNs under the Rated Category or the Unrated Category (the “**Junior Take-out MTNs**”) will be subscribed by any of the Sponsor Group Entities to provide credit enhancement to the Senior Take-out MTNs under the Rated Category or the Unrated Category respectively. In relation to the Rated Category and the Unrated Category respectively, the Junior Take-out MTNs may be issued to make payment of any operating expenditure and capital expenditure (in relation to any Rated Take-out Property or Unrated Take-out Property, as the case may be, including upgrading or improvement or renovation or redevelopment as may be recommended by the Asset Manager from time to time) and as may be agreed by the subscriber of such Junior Take-out MTNs.

Under the Securitisation Programme, the Issuer is from time to time expected to refinance the Bridge MTNs via issuance of Take-out MTNs under the Rated Category or the Unrated Category (and shall take immediate steps to do so when the portfolio of Bridge Properties reaches an amount of RM1,500 million, subject to such terms and conditions relating to the issuance of the Rated Series or Unrated Series, as the case may be). The sale of the Properties will be structured as a true sale under the relevant guidelines of the SC.

Details of the Refinanced Properties in relation to the issuance of Unrated Take-out MTNs under this Information Memorandum is set out under section 8.1 (Details of the Refinanced Properties) herein.

#### Dynamic Portfolio

The Issuer’s portfolio of Properties may change over time due to any permitted acquisition of new Properties and/or permitted disposal of any of the Properties. Please see the sections under headings “**The Properties**” and “**Disposal of Properties and Call Option**” on the specific conditions. Acquisition of Properties may be funded via the issuance of Bridge MTNs or Senior Take-out MTNs under the Rated Category or Unrated Category (comprising a combination of one or more classes) and/or Junior Take-out MTNs under the Rated Category or Unrated Category.

#### Cross-Collateralisation of MTNs

All Rated Series issued from time to time under the MTN Programme shall be secured (subject to ranking) by the Rated Take-out Properties (as may be increased from time to time via permitted acquisitions and/or decreased from time to time via permitted disposals) and related assets.

All Unrated Series issued from time to time under the MTN Programme shall be secured (subject to ranking) by the Unrated Take-out Properties (as may be increased from time to time via permitted acquisitions and/or decreased from time to time via permitted disposals) and related assets.

Senior Take-out MTNs may be issued in several classes of different rankings and seniority. Junior Take-out MTNs shall rank junior only to the Senior Take-out MTNs.

All Bridge MTNs issued from time to time under the MTN Programme shall be secured by the Issuer’s portfolio of Bridge Properties financed solely via the issuance of Bridge MTNs (as may be increased from time to time via permitted acquisitions and/or decreased from time to time via permitted disposals) and related assets. Some or all of the Bridge Properties (as the case may be) shall be transferred to the Rated Take-out Properties pool (upon the issuance of any Rated Series) or Unrated Take-out Properties pool (upon the issuance of any Unrated Series), as the case may be, to refinance the relevant Bridge MTNs and, upon

such designation as Rated Take-out Property or Unrated Take-out Property, as the case may be, shall no longer be available as security for the Bridge MTNs.

#### Issuance of the Bridge MTNs

Under the Securitisation Programme, the Issuer is expected to grow the portfolio of Properties from time to time via acquisition of individual Properties. This may be funded by the issuance of the Bridge MTNs to identified entities within the Sponsor Group Entities and/or by the issuance of Senior Take-out MTNs and/or Junior Take-out MTNs. Acquisition of properties may be directly funded by Take-out MTNs in circumstances where (i) the Properties are directly owned, leased, sub-leased or tenanted by locally-incorporated Sponsor Group Entities (i.e. where Bridge funding is not required) or (ii) the value of Properties acquired is sufficiently large such that it is economically viable for the Issuer to issue Take-out MTNs for a direct acquisition. The Bridge MTNs are expected to be refinanced via the issuance of Senior Take-out MTNs and/or Junior Take-out MTNs and/or new Bridge MTNs.

#### Issuance of Senior Take-out MTNs and Junior Take-out MTNs

From time to time the Issuer is expected to refinance the Bridge MTNs via issuance of a Rated Series or an Unrated Series, as the case may be (and shall take immediate steps to do so when the nominal value of Bridge MTNs reaches an amount of RM1,500 million, subject to such terms and conditions relating to the issuance of a Rated Series or Unrated Series, as the case may be). To permit an effective issuance of new Senior Take-out MTNs and/or Junior Take-out MTNs under a Rated Series or an Unrated Series, as the case may be, into the capital markets, the Issuer will issue MTNs comprising various classes of Senior Take-out MTNs and/or Junior Take-out MTNs under a Rated Series or an Unrated Series, as the case may be to:

- i) refinance all or a portion of any outstanding Bridge MTNs (Bridge MTNs will be redeemed at par); and/or
- ii) refinance all or a portion of any outstanding Senior Take-out MTNs<sup>1</sup> of any Rated Series or Unrated Series, as the case may be, on their Expected Maturity Dates and/or outstanding Junior Take-out MTNs<sup>2</sup> of any Rated Series or Unrated Series, as the case may be; and/or
- iii) pay the purchase price of any Rated Take-out Properties or Unrated Take-out Properties, as the case may be, or any balance thereof<sup>3</sup>; and/or
- iv) meet transaction fees, costs and expenses in relation to the issuance of the Notes and/or the acquisition of any Rated Take-out Properties or Unrated Take-out Properties, as the case may be; and/or
- v) fund the Rated Debt Service Reserve Account or the Unrated Debt Service Reserve Account, as the case may be; and/or
- vi) fund the Rated Collection Account in order to maintain the Rated Deposit Minimum Amount or the Unrated Collection Account in order to maintain the Unrated Deposit Minimum Amount, as the case may be; and/or
- vii) in the case of Junior Take-out MTNs under a Rated Series or an Unrated Series, as the case may be, pay any operating expenditure and capital expenditure (in relation to any Rated Take-out Property or Unrated Take-out Property, as the case may be, including upgrading or improvement or renovation or redevelopment as may be recommended by the Asset Manager from time to time) and as may be agreed by the subscriber of such Junior Take-out MTNs; and/or
- viii) upon expiry of a period to be determined in the relevant Transaction Document:
  - (a) the remaining balance of the issue proceeds from Take-out MTNs under a Rated Series in the Rated Disbursement Account may be transferred to the Rated Collection Account to meet the payment waterfall in accordance with the section of Rated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS; or

- (b) the remaining balance of the issue proceeds from Take-out MTNs under an Unrated Series in the Unrated Disbursement Account may be transferred to the Unrated Collection Account to meet the payment waterfall in accordance with the section of Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS;
- as the case may be.

<sup>1</sup> For avoidance of doubt, any reference to ‘refinance’ or ‘refinancing’ in this Information Memorandum refers to a new issuance of MTNs to investors to raise sufficient funds to repay existing MTNs.

<sup>2</sup> In relation to a Rated Series, from time to time the rating agency may allow the ratio of Senior Take-out MTNs to Junior Take-out MTNs to increase or decrease due to changes in their evaluation of the portfolio of Rated Take-out Properties over time. In the former, a portion of maturing Junior Take-out MTNs may be refinanced by new Senior Take-out MTNs and vice versa.

<sup>3</sup> Issuance of Take-out MTNs for this purpose are in circumstances where (i) the Properties are directly owned, leased, sub-leased or tenanted by the Sponsor Group Entities (i.e. where Bridge funding is not required) or (ii) the value of Properties acquired is sufficiently large such that it is economically viable for the Issuer to issue Take-out MTNs for a direct acquisition.

## Security and limited recourse

### *Bridge MTNs*

The Bridge MTNs will be secured by the Bridge MTNs Security and the Shared Security (as defined under section “**Notes Issuance**”) subject to the Priority and Security Sharing Agreement. Recourse against the Issuer in relation to its obligations under the Bridge MTNs will be limited to the Bridge Collections and the Bridge Properties and any assets related thereto and derived therefrom and the Bridge MTNs Security and the Shared Security subject to the Priority and Security Sharing Agreement. The Bridge MTNs will have no recourse to the Rated Category Security, the Unrated Category Security, the Rated Collections, the Unrated Collections, the Rated Take-out Properties nor the Unrated Take-out Properties.

### *Take-out MTNs*

The Take-out MTNs under the Rated Category shall be secured by the Rated Category Security and the Shared Security subject to the Priority and Security Sharing Agreement. Recourse against the Issuer in relation to its obligations under the Take-out MTNs of the Rated Category will be limited to the Rated Collections and the Rated Take-out Properties and any assets related thereto and derived therefrom and the Rated Category Security and the Shared Security subject to the Priority and Security Sharing Agreement. The Take-out MTNs under the Rated Category will have no recourse to the Bridge MTNs Security, the Unrated Category Security, the Bridge Collections, the Unrated Collections, the Bridge Properties and the Unrated Take-out Properties.

The Take-out MTNs under the Unrated Category shall be secured by the Unrated Category Security and the Shared Security subject to the Priority and Security Sharing Agreement. Recourse against the Issuer in relation to its obligations under the Take-out MTNs of the Unrated Category will be limited to the Unrated Collections and the Unrated Take-out Properties and any assets related thereto and derived therefrom and the Unrated Category Security and the Shared Security subject to the Priority and Security Sharing Agreement. The Take-out MTNs under the Unrated Category will have no recourse to the Bridge MTNs Security, the Rated Category Security, the Bridge Collections, the Rated Collections, the Bridge Properties and the Rated Take-out Properties.

### *No recourse to the Originator or the Sponsor*

The Noteholders will have no recourse to the Originators (save and except for any breach of obligations or misrepresentation under the Sale and Purchase Agreements entered into by the respective Originators) or the Sponsor (save and except under the Sponsor Indemnity, the Sponsor Deposits Undertaking or the Sponsor Junior Take-out MTNs Undertaking).

### Servicing and Asset Management

The Issuer has entered into a Servicing Agreement with the Servicer wherein the Servicer agrees to generally administer the assets, provide or procure property management services for the Issuer, including but not limited to collection of monies due from tenants and/or lessees of the Properties and the general maintenance, up-keeping, upgrading and renovating of the Properties if necessary or as instructed by the Asset Manager. The Servicer will appoint a licensed property management company to undertake such property management services in Malaysia.

The Issuer has also entered into an Asset Management Agreement with the Asset Manager wherein the Asset Manager agrees to provide asset management services to the Issuer, including but not limited to identifying asset acquisition opportunities, assisting in the acquisition of Properties for the Issuer, identifying asset disposal opportunities, assisting in the disposal of Properties for the Issuer, recommending and assisting in the appropriate mix of financing for the acquisition of Properties, overseeing the Servicer in carrying out appropriate maintenance and upkeep of the Properties and any necessary upgrading and renovation works, establish credit control policy for the Servicer and recommending and assisting in the appropriate mix of financing for refinancing any maturing MTNs.

### **Purchase of Properties**

**Sale and Purchase Agreement** : In relation to each purchase of a Property by the Issuer, the Issuer will purchase the Property from an Originator from time to time subject to a Sale and Purchase Agreement.

**Purchase Price** : In relation to each purchase of a Property by the Issuer, the Purchase Price will be determined on a willing buyer-willing seller basis after taking into consideration the valuation of the Property by an independent valuer acceptable to the Lead Arranger and the Lead Manager or such other successor lead arranger(s). The independent valuer's reports on the Properties are available for viewing at the Trustee's office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur. Please refer to the independent valuer's reports for the methodology used in determining the fair value of the Property and the key assumptions involved.

**Transfer/Assignment** : In relation to each Property, the sale of the Property by the Originator to the Issuer will be structured as a "true sale" for legal purposes. In the event that the Property has a separate issue document of title and the Originator is the legal and beneficial owner of the Property, the title will be transferred to and registered in the name of the Issuer. In the event that the Property does not have a separate issue document of title and the Originator is the beneficial owner of the Property, the Originator will assign absolutely to the Issuer all its rights, title, interest and benefit in relation to the Property and the relevant sale and purchase agreement(s) in relation to the Property.

In relation to the Properties where the originator is the legal and/or beneficial owner, all rights, title and interest of the originator to the existing tenancies and/or leases including as landlord or lessor shall be transferred by way of a novation agreement to the name of the Issuer or assigned absolutely to the Issuer by way of an assignment. In relation to the Properties where the interest of the originator is as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy, all rights, title and interest of the originator to such lease, sub-lease or tenancy including as lessee, sub-lessee or tenant shall be transferred to and registered in the name of the Issuer or assigned absolutely to the Issuer by way of an assignment.

## **Servicing**

Servicing : Pursuant to the Servicing Agreement, the Servicer will be responsible to ensure the receiving, servicing and remitting of the Rated Collections, Unrated Collections and Bridge Collections to the Issuer.

The Servicer will keep accurate records of all amounts payable under the relevant tenancy and lease agreements. The Servicer will provide certain services to the Issuer in relation to the Properties purchased by it and these include but are not limited to:

- (a) the collection of all rent, leases, maintenance charges and other payables relating to the Properties;
- (b) the payment of Rated Collections to the Collection Account, Unrated Collections to the Unrated Collection Account and Bridge Collections to the Bridge Collection Account, respectively;
- (c) the provision of Servicer Quarterly Reports (hereinafter defined) summarising amongst others, the amount of Rated Collections, Unrated Collections and Bridge Collections and any other payments received, delinquency and default information, and the amount of maintenance, upkeep, renovation and upgrading spent on the Properties;
- (d) the keeping of records, books, accounts and data in relation to each Property;
- (e) procuring the provision of property management services for the Properties;
- (f) the taking of appropriate action against such tenants where there has been any default with any of the terms of the relevant tenancy/lease agreements; and
- (g) any other services as stated in the Servicing Agreement.

The Servicer undertakes also to designate each of the Properties in its books of account, records and computer systems in such a manner as will identify the relevant Properties as being owned, leased, sub-leased or tenanted by the Issuer and will distinguish each of such Property from other assets owned or serviced by the Servicer.

The Trustee will also be a party to the Servicing Agreement. No amendments to the Servicing Agreement may be made without the prior written consent of the Trustee and written confirmation from the Rating Agency, if applicable that such amendments will not result in the downgrade of the then current rating of the senior-most class of rated Senior Take-out MTNs issued. Certain undertakings by the Servicer in relation to its obligations as the Servicer will be

subject to the direction, requirement or consent of the Issuer and/or the Trustee. The Servicer will deposit the Rated Collections into the Rated Collection Account, the Unrated Collections into the Unrated Collection Account and the Bridge Collections into the Bridge Collection Account within three (3) Business Days of receipt.

- Servicer Report Quarterly : On a quarterly basis, the Servicer will deliver to the Issuer, the Trustee, the Rating Agency and the Facility Agent, a report in respect of each Property setting forth, among other things, the aggregate amount of the Rated Collections, Unrated Collections and Bridge Collections received during the preceding quarter and any monies expended on maintenance, upkeep, renovating and upgrading, any changes in the tenants or lessees, any changes in the Bridge Deposit Minimum Amount, the Rated Deposit Minimum Amount and the Unrated Deposit Minimum Amount and confirmation whether such amounts have been met.
- Servicer Fee : The Servicer will receive as compensation for preparing the reports and depositing the Rated Collections into the Rated Collection Account, Unrated Collections into the Unrated Collection Account and Bridge Collections into the Bridge Collection Account, a fee as provided in paragraph 7.3 of Section 7.0 “**THE SERVICER**” of this Information Memorandum (“**Servicer Fee**”).

After all the MTNs and the External Financing have been fully paid and sufficient amount has been set aside for the winding-up cost of the Issuer, a portion of any remaining Rated Collections, Unrated Collections and/or Bridge Collections may be paid to the Servicer as additional Servicer Fee as provided in paragraph 7.3 of Section 7.0 “**THE SERVICER**” of this Information Memorandum.

- Servicer Default : If any of the following events (the “**Servicer Events of Default**”; each, a “**Servicer Event of Default**”) occurs:
- (a) the Servicer fails to effect any payment, transfer or deposit as required under the Servicing Agreement;
  - (b) the Servicer fails to perform any of its obligations under the Servicing Agreement or breaches any of the terms of the Servicing Agreement (including the representations and warranties) and (except where in the opinion of the Issuer/Trustee such failure is not capable of remedy) does not cure such default within twenty (20) Business Days after the earlier of (i) receipt of notice thereof from the Issuer/Trustee or (ii) having actual knowledge thereof;
  - (c) the Servicer makes any changes to its standard policies with respect to the servicing, administration and monitoring of the Properties which the Rating Agency indicates will result in a downgrade of the then current rating of the senior-most class of rated Senior Take-out MTNs or which could materially impair the income-generating ability of any Property without the prior written consent of the Issuer/Trustee;
  - (d) a winding up order has been made against the Servicer or a resolution to wind up the Servicer has been passed;
  - (e) a receiver has been appointed over the whole or a substantial part of the assets of the Servicer;



- (f) any other indebtedness for borrowed monies of the Servicer becomes due and payable prior to its stated maturity or where the security created for any other indebtedness for borrowed monies becomes enforceable;
- (g) there is a revocation, withholding or modification of a license, authorisation or approval that impairs or prejudices the Servicer's ability to comply with the terms and conditions of the Servicing Agreement;
- (h) any of the provisions in the Servicing Agreement becomes ineffective, invalid or unenforceable and in the opinion of the Trustee such event is materially prejudicial to the interests of the holders of the Senior Take-out MTNs;
- (i) the Servicer changes the nature or scope of its business, suspends or ceases or threatens to suspend or cease a substantial part of its business operations;
- (j) the Servicer becomes insolvent; and
- (k) any other event as provided in the Servicing Agreement.

Then the Issuer or the Trustee may, and shall if instructed by a specified majority of the senior-most class of Senior Take-out MTNs, give a notice in writing to the Servicer in accordance with the Servicing Agreement, requiring the Servicer effective from the date specified in the notice (not being earlier than the date of the notice) to appoint a person nominated by the Issuer and acceptable to the Trustee and the Rating Agency as a substitute Servicer and shall be entitled to exercise such rights and perform such of the obligations of the predecessor Servicer.

## **Asset Management**

- Asset Management : Pursuant to an Asset Management Agreement entered into between the Asset Manager, the Issuer and the Trustee, the Asset Manager will be responsible for providing asset management services to the Issuer.
- Asset Manager's Quarterly Report : On a quarterly basis, the Asset Manager will deliver to the Issuer, the Trustee, the Rating Agency and the Facility Agent, a report in respect of each Property (the "**Asset Manager Quarterly Report**"). The report shall comprise a summary of information which may include (amongst others) the asset value of the properties, rental deposits and insurance details of the properties.
- Asset Manager Fee : The Asset Manager will receive as compensation a base fee ("**Asset Manager Base Fee**"), a performance fee, an additional fee and if it provides the referral or related services for the acquisition/ disposal of any Property an acquisition or disposal fee (as the case may be) as provided in paragraph 6.3 of Section 6.0 "**THE ASSET MANAGER**" of this Information Memorandum.

**Asset Manager  
Default**

: If any of the following events (the “**Asset Manager Events of Default**”; each, a “**Asset Manager Event of Default**”) occurs:

- (a) the Asset Manager fails to perform any of its obligations under the Asset Management Agreement or performs its obligations in an unsatisfactory manner which results in the Issuer’s inability to meet its obligations or breaches any of the terms of the Asset Management Agreement (including the representations and warranties) and (except where in the opinion of the Issuer/Trustee such failure is not capable of remedy) does not cure such default within ten (10) Business Days after the earlier of (i) receipt of notice thereof from the Issuer/Trustee or (ii) having actual knowledge thereof;
- (b) a winding up order has been made against the Asset Manager or a resolution to wind up the Asset Manager has been passed;
- (c) a scheme of arrangement under Section 366 of the Companies Act has been instituted against the Asset Manager;
- (d) a receiver has been appointed over the whole or a substantial part of the assets of the Asset Manager;
- (e) any other indebtedness for borrowed monies of the Asset Manager becomes due and payable prior to its stated maturity or where the security created for any other indebtedness for borrowed monies becomes enforceable;
- (f) there is a revocation, withholding or modification of a licence, authorisation or approval that impairs or prejudices the Asset Manager’s ability to comply with the terms and conditions of the Asset Management Agreement;
- (g) any of the provisions in the Asset Management Agreement becomes ineffective, invalid or unenforceable and in the opinion of the Trustee such event is materially prejudicial to the interests of the holders of the Senior Take-out MTNs;
- (h) the Asset Manager changes the nature or scope of its business, suspends or ceases or threatens to suspend or cease a substantial part of its business operations;
- (i) the Asset Manager becomes insolvent; and
- (j) any other event as provided in the Asset Management Agreement.

Then the Issuer or the Trustee may, and shall if instructed by a specified majority of the senior-most class of Senior Take-out MTNs, give a notice in writing to the Asset Manager in accordance with the Asset Management Agreement, requiring the Asset Manager effective from the date specified in the notice (not being earlier than the date of the notice) to appoint a person nominated by the Issuer and acceptable to the Trustee and the Rating Agency as a substitute Asset Manager and shall be entitled to exercise such rights and perform such of the obligations of the predecessor Asset Manager.

**Notes Issuance**

The MTN Programme : The Notes are to be issued under a Medium Term Notes Programme

Series : All Take-out MTNs will be issued in Series. All Senior Take-out MTNs and Junior Take-out MTNs issued on a particular issuance date shall be identified as belonging to the same Series. Series are identified by a “U” in the event that Series is an Unrated Series or an “R” in the event that Series is a Rated Series, a number denoting the calendar year of issuance and an alphabet denoting the sequence of issuance within the calendar year. Bridge MTNs are not identified as belonging to any Series.

Class : In respect of the Rated Category, MTNs identified as belonging to a class shall rank *pari passu* with all other MTNs identified as belonging to the same class, regardless of Series. Senior classes are identified alphabetically in descending order of seniority provided always that Junior Take-out MTNs in the Rated Category shall rank *pari passu* with all other Junior Take-out MTNs in the Rated Category regardless of Series, and after all Senior Take-out MTNs of the Rated Category.

In respect of the Unrated Category, MTNs identified as belonging to a class shall rank *pari passu* with all other MTNs identified as belonging to the same class, regardless of Series. Senior classes are identified alphabetically in descending order of seniority provided always that Junior Take-out MTNs in the Unrated Category shall rank *pari passu* with all other Junior Take-out MTNs in the Unrated Category regardless of Series, and after all Senior Take-out MTNs of the Unrated Category.

Not all MTN classes may be issued in a particular Series.

In relation to the Rated Category, any MTN identified as belonging to a particular alphabetical class shall rank *pari passu* with all other MTNs identified as belonging to that class, regardless of Series.

In relation to the Unrated Category, any MTN identified as belonging to a particular alphabetical class shall rank *pari passu* with all other MTNs identified as belonging to that class, regardless of Series.

Future Series of MTNs may be rated or unrated and may involve the issuance of some or all of the classes identified. In cases where the type of Category and such classes are the same, these securities will rank *pari passu* with the corresponding classes in other Series within the same type of Category.

Bridge MTNs shall rank *pari passu* with all other Bridge MTNs, and in relation to the Shared Security, after all Senior Take-out MTNs and Junior Take-out MTNs.

Tenure : Tenure of MTN Programme  
Sixty (60) years from the date of the first issuance under the MTN Programme.

Drawdown Period of MTN Programme

Fifty five (55) years from the date of first issuance under the MTN Programme for Senior Take-out MTNs; and

Sixty (60) years from the date of first issuance under the MTN Programme for Bridge MTNs and/or Junior Take-out MTNs;

Provided that the first issuance of the Notes shall be within six (6) months from

the date of the Securities Commission's approval or such other longer period as may be allowed by the Securities Commission.

#### Take-out MTN Legal Maturity

At least thirty (30) months as the Issuer may select, provided that the Take-out MTNs mature prior to the expiry of the MTN Programme.

Unless previously redeemed or cancelled, the Take-out MTNs will be redeemed by the Issuer at the percentage of their nominal value stated in the relevant global certificate together with interest accrued to the date of redemption on their respective legal maturity dates as specified in the relevant global certificate (each a "**Legal Maturity Date**").

Failure to repay principal in full on the Legal Maturity Date will constitute an Event of Default.

#### Take-out MTN Expected Maturity

The earlier of (i) at least eighteen (18) months prior to the Legal Maturity Date of a Take-out MTN, as determined prior to issuance of such MTN, or (ii) declaration of an Early Disposal Event or Bridge Disposal Event, as the case may be.

Unless previously redeemed or cancelled, Take-out MTNs are expected to be redeemed by the Issuer at the percentage of their nominal value stated in the relevant global certificate together with interest accrued to the date of redemption on their respective expected maturity dates as specified in the relevant global certificate (each an "**Expected Maturity Date**").

For any series of Take-out MTNs issued to fund the acquisition of a particular portfolio of Properties, all Take-out MTNs (comprising both the Senior Take-out MTNs and/or Junior Take-out MTNs) shall have the same maturity dates.

Failure to repay principal in full on the Expected Maturity Date shall constitute an Early Disposal Event but not an Event of Default.

For the avoidance of doubt, any Early Disposal Event shall, subject to any cure specified herein, entail the disposal of Take-out Properties with utilisation of disposal proceeds in accordance to the payment waterfall further detailed in the section APPLICATION OF PROCEEDS: ESCROW ACCOUNT – EARLY DISPOSAL EVENTS.

#### Bridge MTN Maturity:

Any tenure as the Issuer may select provided that the Bridge MTNs mature prior to the expiry of the MTN Programme. A Bridge MTN shall not have an expected maturity date.

#### Bridge Disposal Event

If, (i) all Senior Take-out MTNs have been repaid pursuant to an Early Disposal Event; or (ii) all Take-out Properties have been disposed and/or, as the case may be, all leases, sub-leases or tenancies in relation to the Take-out Properties have been transferred or assigned away and no subsequent issue of new Senior Take-out MTNs takes place within a period of eighteen (18)

months then the Trustee shall upon instruction of the Bridge MTNs Noteholders dispose of the Bridge Properties (“**Bridge Disposal Event**”) and utilise such disposal proceeds in accordance to the payment waterfall further detailed in the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT – BRIDGE DISPOSAL EVENTS.

For the avoidance of doubt, no further issuance of Bridge MTNs shall be allowed upon the occurrence of a Bridge Disposal event save and except for (1) issue of Bridge MTNs to complete any acquisition of Bridge Properties or, as the case may be, any transfer or assignment in favour of the Issuer of the lease, sub-lease and tenancy in relation to the Bridge Properties in progress but not completed and (2) issue of Bridge MTNs to refinance existing Senior Take-out MTNs of the relevant Category within fifteen (15) Business Days (or such longer period as may be agreed by the Trustee at the direction of a Special Resolution of the holders of the senior-most ranking class of Senior Take-out MTNs then Outstanding of such Category) of the declaration of the Event of Default.

- Rating : The rating of each class of Senior Take-out MTNs of each Rated Series shall be determined prior to issuance. The Rating Agency is RAM Rating Services Berhad (Registration number 200701005589(763588-T)).
- Issue Price : The MTNs may be issued at par, premium or discount.
- Interest : The Coupon Rates for each MTN shall be determined and mutually agreed between the Issuer and the Lead Manager(s) for the relevant issue of such MTN prior to issuance.

Step-up Interest for Senior Take-out MTNs only

If not otherwise redeemed on its Expected Maturity Date, the Coupon Rate for Senior Take-out MTNs shall increase by 1.0% per annum. Step-up interest is applicable when the Issuer fails to redeem Senior Take-out MTNs on the Expected Maturity Dates.

Default Interest for Senior Take-out MTNs only

1.0% per annum above the base lending rate of Malayan Banking Berhad on the amount unpaid from and including the relevant due date up to but excluding the date of actual payment, calculated based on the actual number of days elapsed and a year of 365 days.

Default interest is not chargeable in the event the Issuer fails to redeem on the Expected Maturity Dates. Default interest is chargeable upon default of the Issuer to pay interest on the Coupon Payment Dates and failure to pay principal on Legal Maturity Date.

Coupon for Junior Take-out MTNs:

The Coupon for Junior Take-out MTNs shall be reset annually. The initial Coupon Rate for each Junior Take-out MTN shall be determined prior to issuance.

In addition to the Coupon, the Issuer may declare a bonus coupon to the Junior Take-out MTN holders and Bridge MTN holders based on the performance of the Issuer (“**Performance Coupon**”) of an amount equal to the lower of (i) the remaining cash available for payment; and (ii) cumulative profit, net of taxes of the Issuer. Coupon and Performance Coupon declared but not paid shall not constitute an Event of Default and shall be cumulative. The Performance Coupon shall be payable on the date the coupon for the Junior Take-out MTN or Bridge MTNs is payable, as the case may be.

At the termination of the MTN Programme after the Issuer has been successfully wound up and all liabilities of the Issuer successfully discharged, any amounts remaining to the credit of the Winding-up Reserve Account shall be paid as additional coupon to the Junior Take-out MTN holders or Bridge MTN holders, as the case may be.

Interest, Frequency and Basis : Coupon shall be paid periodically on a quarterly basis or such other period as may be prescribed by FAST from time to time. The first and final coupon periods may be for periods shorter than one full coupon period.  
Coupon will be calculated on the basis of the actual number of days elapsed and a year of 365 days (actual/365 days).

Form and Denominations : Each issuance of the MTNs shall be represented by a global certificate to be deposited with BNM, and is exchanged for definitive bearer certificates only in certain limited circumstances.

#### Senior Take-out MTNs

The denomination of all Senior Take-out MTNs shall be RM1,000 or in multiples of RM1,000 at the time of issuance.

#### Bridge MTNs and Junior Take-out MTNs

The denomination of Bridge MTNs and Junior Take-out MTNs shall be RM1 or in multiples of RM1 at the time of issuance.

Mode of Issue : The Senior Take-out MTNs may be issued on private placement on a best efforts basis or book running on a best efforts basis or on a bought deal basis subject to terms and conditions to be agreed between the Issuer and the Lead Manager(s).  
The Junior Take-out MTNs and Bridge MTNs shall be issued directly to any of the Sponsor Group Entities.

Utilisation of Proceeds : Bridge MTNs  
The issue proceeds from Bridge MTNs shall be utilised by the Issuer on each relevant Issue Date or subsequent to such Issue Date for any of the following purposes:  
(i) to meet fees, costs and expenses incurred or to be incurred by the Issuer and such other expenses as may be incurred by the Issuer in relation to the MTN Programme;

- (ii) to make payment of acquisition fees and other costs in relation to the acquisition of Bridge Properties;
- (iii) to fund the Rated Debt Service Reserve Account and the Unrated Debt Service Reserve Account;
- (iv) to make payments due and payable under sale and purchase agreements for the relevant Bridge Properties including the acquisition of, or as the case may be, the transfer or assignment to the Issuer of any lease or sub-lease or tenancy agreement in relation to any Bridge Properties;
- (v) to refinance Senior Take-out MTNs in the Event of Default;
- (vi) to refinance any outstanding Bridge MTNs;
- (vii) to fund the Bridge Collection Account in order to maintain the Bridge Deposit Minimum Amount;
- (viii) to make payment of any operating expenditure and capital expenditure in relation to any Bridge Property including upgrading or improvement or renovation or redevelopment as may be recommended by the Asset Manager from time to time and as may be agreed by the subscriber of such Bridge MTNs;
- (ix) to pay any amounts (including damages) payable by the Issuer to any vendor arising from any termination of any proposed acquisition of any Bridge Property (“**Termination Payments**”);
- (x) upon expiry of a period to be determined in the relevant Transaction Document, the remaining balance of the issue proceeds from Bridge MTNs in the Bridge Disbursement Account may be transferred to the Bridge Collection Account to be utilised in accordance with the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT; and
- (xi) such other purposes as may be agreed by the subscriber(s) of such Bridge MTNs.

#### Take-out MTNs

##### Rated Series

The issue proceeds from Take-out MTNs under a Rated Series shall be utilised by the Issuer on each relevant Issue Date or subsequent to such Issue Date as follows:

- (i) to meet fees, costs and expenses incurred or to be incurred by the Issuer in connection with the issuance of Take-out MTNs under the relevant Rated Series;
- (ii) to make payment of acquisition fees and other costs in relation to the acquisition of Rated Take-out Properties <sup>1</sup>;
- (iii) to fund the Rated Debt Service Reserve Account;
- (iv) to refinance all or a portion of any outstanding Senior Take-out MTNs of all Rated Series on their Expected Maturity Dates;
- (v) to complete the purchase of any Rated Take-out Properties including the acquisition of, or as the case may be, the transfer or assignment to the Issuer of any lease or sub-lease or tenancy agreement in relation to any Rated Take-out Properties. For avoidance of doubt, acquisition of any Rated Take-Out Properties will be conducted based on fair valuation

- duly supported by valuation report from independent valuers;
- (vi) to refinance all or a portion of any outstanding Junior Take-out MTNs of all Rated Series on their Expected Maturity Dates;
  - (vii) to refinance all or a portion of any outstanding Bridge MTNs<sup>2</sup>;
  - (viii) to fund the Rated Collection Account in order to maintain the Rated Deposit Minimum Amount;
  - (ix) Junior Take-out MTNs under a Rated Series may be issued to make payment of any operating expenditure and capital expenditure in relation to any Rated Take-out Property including upgrading or improvement or renovation or redevelopment as may be recommended by the Asset Manager from time to time and as may be agreed by the subscriber of such Junior Take-out MTNs of the relevant Rated Series; and
  - (x) upon expiry of a period to be determined in the relevant Transaction Document, the remaining balance of the issue proceeds from Take-out MTNs under a Rated Series in the Rated Disbursement Account may be transferred to the Rated Collection Account to be utilised in accordance with the section of Rated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS.

#### Unrated Series

The issue proceeds from Take-out MTNs under an Unrated Series shall be utilised by the Issuer on each relevant issue date or subsequent to such issue date as follows:

- (i) to meet fees, costs and expenses incurred or to be incurred by the Issuer in connection with the issuance of Take-out MTNs under the relevant Unrated Series;
- (ii) to make payment of acquisition fees and other costs in relation to the acquisition of Unrated Take-out Properties<sup>1</sup>;
- (iii) to fund the Unrated Debt Service Reserve Account;
- (iv) to refinance all or a portion of any outstanding Senior Take-out MTNs of all Unrated Series on their Expected Maturity Dates;
- (v) to complete the purchase of any Unrated Take-out Properties including the acquisition of, or as the case may be, the transfer or assignment to the Issuer of any lease or sub-lease or tenancy agreement in relation to any Unrated Take-out Properties. For avoidance of doubt, acquisition of any Unrated Take-Out Properties will be conducted based on fair valuation duly supported by valuation report from independent valuers;
- (vi) to refinance all or a portion of any outstanding Junior Take-out MTNs of all Unrated Series on their Expected Maturity Dates;
- (vii) to refinance all or a portion of any outstanding Bridge MTNs<sup>2</sup>;
- (viii) to fund the Unrated Collection Account in order to maintain the Unrated Deposit Minimum Amount;
- (ix) Junior Take-out MTNs under an Unrated Series may be issued to make payment of any operating expenditure and capital expenditure in relation to any Unrated Take-out Property including upgrading or improvement or renovation or redevelopment as may be recommended by the Asset Manager from time to time and as may be agreed by the subscriber of such Junior Take-out MTNs of the relevant Unrated Series; and



(x) upon expiry of a period to be determined in the relevant Transaction Document, the remaining balance of the issue proceeds from Take-out MTNs under an Unrated Series in the Unrated Disbursement Account may be transferred to the Unrated Collection Account to be utilised in accordance with the section of Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS.

<sup>1</sup> In the event the acquisition of properties cannot be completed for any reason, any Bridge MTNs issued to finance the acquisition costs of such properties shall be written off and will not be refinanced by Take-out MTNs under the relevant Rated Series or Unrated Series (as the case may be).

<sup>2</sup> From time to time when the portfolio of Bridge Properties reaches a maximum amount of RM1,500 million of the nominal value of the Bridge MTNs, the Issuer shall take immediate steps to refinance the Bridge MTNs via issuance of Take-out MTNs under the relevant Rated Series or Unrated Series (as the case may be).

Limited Recourse : The MTNs are issued on a limited recourse basis. This means that holders of the MTNs will have only the benefit of the Properties and the collections from and/or proceeds of realisation thereof, including amounts standing to the credit of the relevant bank accounts and all rights of the Issuer under the Transaction Documents, to satisfy their right to receive coupon payments and redemption of the principal of the MTNs.

No petition : The agreements to be entered into between the Issuer and service providers (“Counterparties”) (save for the Declaration of Trust with the Share Trustee and the Depository and Paying Agency Agreement with BNM) will contain clauses to the effect that during the period when the MTNs are outstanding and for a period of 1 year and 1 day thereafter, the Counterparties will not bring any proceedings for the winding up or bankruptcy of the Issuer. This clause is also applicable for substitute service providers.

Valuation : The Issuer shall provide to the Rating Agency (where applicable) and the Trustee:

(i) valuation report(s) in form and format acceptable to the Trustee from a licensed independent valuer acceptable to the Trustee in relation to the Properties once every three (3) years from the date of the last full valuation report(s);

(ii) in the year where a full valuation is not done, a desktop valuation report in form and format acceptable to the Trustee in relation to the Properties.

Such valuation report(s) shall be used for reference for the calculation or determination of all ratios, tests, covenants or otherwise in relation to the MTN Programme.

Sponsor undertaking and indemnity : In relation to each of the Rated Category and the Unrated Category, the Sponsor will provide an undertaking in favour of the Trustee containing the following:

- (i) the Sponsor will ensure and procure that the Junior Take-out MTNs for each Series shall be subscribed by one or more of the Sponsor Group Entities; and
- (ii) the Sponsor will ensure and procure that for so long as there are outstanding Senior Take-out MTNs, the Junior Take-out MTNs shall be held by any of the Sponsor Group Entities; and
- (iii) such further undertakings relating to the Junior Take-out MTNs and other terms and conditions to be mutually agreed between the Sponsor and the Trustee.

Security : Subject to the section SPONSOR INDEMNITY below, recourse against the Issuer in relation to its obligations under each MTN will be limited to the Properties and any assets related thereto and derived therefrom, and from realisation of any security relating thereto. The holders of the MTNs will have no recourse to any Originator or the Sponsor.

Bridge MTNs are secured by Bridge Properties and have no rights to Rated Take-out Properties and Unrated Take-out Properties. The Rated Category is secured by Rated Take-out Properties and has no rights to Bridge Properties and Unrated Take-out Properties. The Unrated Category is secured by the Unrated Take-out Properties and has no rights to Bridge Properties and Rated Take-out Properties. In relation to the Rated Category, subject to different ranking between classes of MTNs, all MTNs issued by the Issuer under the Rated Category are cross-collateralised within the Rated Category. In relation to the Unrated Category, subject to the different ranking between classes of MTNs, all MTNs issued by the Issuer under the Unrated Category are cross-collateralised within the Unrated Category.

#### A. Bridge MTNs

The security for each Bridge MTN shall include the following:

- (i) In relation to the Bridge Properties where the Issuer is the legal and/or beneficial owner, first legal charge(s) (in case of Property(ies) with title) or assignment (in case of Property(ies) without title) over the Bridge Properties;
- (ii) In relation to the Bridge Properties where the Issuer is the contractual lessee, sub-lessee or tenant:
  - 1) first legal charge(s) over the registered lease or registered sub-lease; or
  - 2) first assignment over the unregistered lease, sub-lease or tenancy agreement;
- (iii) Assignment over the Issuer's present and future rights, title, interest and benefits as the lessor or landlord in and under the tenancy/lease

agreements in relation to the Bridge Properties;

- (iv) First legal charge over the Bridge Collection Account and the Bridge Disbursement Account and assignment over the monies therein; and
- (v) Assignment over the Issuer's rights, title, interest and benefits of insurance policies in relation to the Bridge Properties.

(items (i) to (v) above collectively, the “**Bridge MTNs Security**”)

#### B. Take-out MTNs

(1) The security for each Take-out MTN in the Rated Category shall include the following:

- (i) In relation to the Rated Take-out Properties where the Issuer is the legal and/or beneficial owner, first legal charge(s) (in case of Property(ies) with title) or assignment (in case of Property(ies) without title) over the Rated Take-out Properties;
- (ii) In relation to the Rated Take-out Properties where the Issuer is the contractual lessee, sub-lessee or tenant:
  - 1) first legal charge(s) over the registered lease or registered sub-lease or
  - 2) first assignment over the unregistered lease, sub-lease or tenancy agreement
- (iii) Assignment over the Issuer's present and future rights, title, interest and benefits as the lessor or landlord in and under the tenancy/lease agreements in relation to the Rated Take-out Properties;
- (iv) First legal charge over any transaction accounts in relation to the Rated Category, including the Rated Disbursement Account, the Rated Collection Account, the Rated Debt Service Reserve Account and the Rated Escrow Account and assignment over the monies therein; and
- (v) Assignment over the Issuer's rights, title, interest and benefits of insurance policies in relation to the Rated Take-out Properties.

(items (i) to (v) above collectively, the “**Rated Category Security**”)

(2) The security for each Take-out MTN in the Unrated Category shall include the following:

- (i) In relation to the Unrated Take-out Properties where the Issuer is the legal and/or beneficial owner, first legal charge(s) (in case of Property(ies) with title) or assignment (in case of Property(ies) without title) over the Unrated Take-out Properties;
- (ii) In relation to the Unrated Take-out Properties where the Issuer is the contractual lessee, sub-lessee or tenant:
  - 1) first legal charge(s) over the registered lease or registered sub-lease or
  - 2) first assignment over the unregistered lease, sub-lease or tenancy agreement;
- (iii) Assignment over the Issuer's present and future rights, title, interest and benefits as the lessor or landlord in and under the tenancy/lease agreements in relation to the Unrated Take-out Properties;

- (iv) First legal charge over any transaction accounts in relation to the Unrated Category, including the Unrated Disbursement Account, the Unrated Collection Account, the Unrated Debt Service Reserve Account and the Unrated Escrow Account and assignment over the monies therein; and
  - (v) Assignment over the Issuer's rights, title, interest and benefits of insurance policies in relation to the Unrated Take-out Properties.
- (items (i) to (v) above collectively, the “**Unrated Category Security**”)

#### Additional Security for Bridge MTNs and Take-out MTNs

The security for each MTN shall additionally include:

- (i) a debenture over all present and future assets of the Issuer save and except for the security set out in sub-paragraph (A) and (B) above;
- (ii) Assignment over the Issuer's rights under the Sponsor Call Option; and
- (iii) Assignment over the Issuer's present and future rights, title, interest and benefits in and under the transaction agreements (i.e. Servicing Agreement, Asset Management Agreement, Administration Agreement and the Call Option Agreement).

(items (i) to (iii) above collectively the “**Shared Security**”)

#### Ranking

##### Bridge MTNs Security

All Bridge MTNs shall rank *pari passu* amongst themselves.

##### Rated Category Security

In relation to the Rated Category, Senior Take-out MTNs in all Rated Series identified as belonging to different classes regardless of Series shall rank in descending alphabetical order. Junior Take-out MTNs in all Rated Series shall rank after Senior Take-out MTNs in all Rated Series.

##### Unrated Category Security

In relation to the Unrated Category, Senior Take-out MTNs in all Unrated Series identified as belonging to different classes regardless of Series shall rank in descending alphabetical order. Junior Take-out MTNs in all Unrated Series shall rank after Senior Take-out MTNs in all Unrated Series.

##### Shared Security

In relation to the Shared Security, any Senior Take-out MTN in any Rated Series or Unrated Series identified as belonging to a particular alphabetical class shall rank *pari passu* with all other Senior Take-out MTNs identified as belonging to that alphabetical class and shall rank in descending alphabetical order, regardless of Series or Category. All Junior Take-out MTNs shall rank after all Senior Take-out MTNs and shall rank *pari passu* amongst themselves regardless of Series or Category.

Bridge MTNs shall rank after all Senior Take-out MTNs and Junior Take-out MTNs.

For the avoidance of doubt, the Bridge MTNs shall only have recourse to the Bridge MTNs Security and the Shared Security and shall not have any recourse to the Rated Category Security or the Unrated Category Security. The Rated Series shall only have recourse to the Rated Category Security and the Shared Security and shall not have any recourse to the Bridge MTNs Security or the Unrated Category Security. The Unrated Series shall only have recourse to the Unrated Category Security and the Shared Security and shall not have any recourse to the Bridge MTNs Security or the Rated Category Security.

#### Sponsor Indemnity

The Sponsor will be fully liable for any risks arising from the waivers granted by the SC from the ABS Guidelines and will fully indemnify the Issuer for costs and losses incurred and liabilities suffered notwithstanding the completion of the sale and registration of the transfer of the Properties by the independent vendors (namely vendors other than the Sponsor and/or its related and associated entities) (the “**Independent Vendors**”) in favour of the Issuer and/or as a result of non-registration of the Properties into the name of the Issuer following full payment of the purchase consideration Provided However that Sponsor’s obligation and liability to indemnify the Issuer shall be subject to the following:

- i) any payment by Sponsor pursuant to the indemnity shall only be effected subject to the legal assignment by the Issuer in favour of Sponsor of all the Issuer’s rights, title, benefits and interest in and to the relevant sale and purchase agreement (“**SPA**”) including without limitation all rights to pursue any action, proceeding suit or claim arising in relation to any of the rights of the Issuer under the SPA in respect of any and all breaches by the relevant Independent Vendors under the SPA and all rights, title and interest in and to all monies and payments which may become due and payable to the Issuer under the SPA;
- ii) Sponsor’s liability and/or obligation to indemnify the Issuer pursuant to the said letter of indemnity shall only arise:-
  - a) in case of due registration of transfer of the relevant Properties into the name of the Issuer  
if notwithstanding the due registration of transfer of the relevant Properties into the name of the Issuer, the Issuer nevertheless loses title in such Properties; or
  - b) in the case of non-registration of the Properties into the name of the Issuer notwithstanding full purchase consideration has been duly paid to the relevant Independent Vendors
    - 1) if such non-registration is due to the insolvency of the relevant Independent Vendors; or
    - 2) if such non-registration is not due to a default on the part of the Issuer;

provided that the relevant Independent Vendors and the Issuer shall have taken all requisite steps within their ability and control to rectify any technical error which prevents such non-registration;

and the Issuer would not have suffered such loss and cost if a due diligence process undertaken on the relevant Independent Vendors as originators in a typical asset-backed securitisation transaction had in fact been carried out on such Independent Vendors in accordance with the ABS Guidelines; and

- iii) Sponsor's liability and/or obligation to indemnify the Issuer pursuant to the Letter of Indemnity shall in any event not exceed the amount paid by the Issuer for the relevant Property acquired from such Independent Vendor and the total transaction costs paid by the Issuer in relation to the acquisition transaction.

For avoidance of doubt, the right to enforce the Sponsor Indemnity and the right to declare an Event of Default or Early Disposal Event (as the case may be) are mutually exclusive.

#### External Financing

In relation to each Category, the Issuer may obtain external financing from any Sponsor Group Entity or any other party or financial institution for the purpose of any operating expenditure and capital expenditure in relation to the Properties of such Category up to:

- (a) in the case of the Rated Category ("**Rated Financing**") and the Unrated Category ("**Unrated Financing**"), an amount being the lower of:
  - (i) the outstanding Junior Take-out MTNs; and
  - (ii) ten per cent (10%) of the aggregate of the outstanding Senior Take-out MTNs and the Junior Take-out MTNs; in respect of the relevant Properties;
- (b) in the case of the Bridge MTNs, an amount up to the limit of thirty per cent (30%) of the aggregate of the outstanding Bridge MTNs in respect of the relevant Properties ("**Bridge Financing**").

(collectively, "**External Financing**")

The External Financing shall be unsecured and shall be on such terms and conditions as the Issuer, in its sole and absolute discretion may decide.

#### Events of Default

- : (A) Under the Trust Deed between the Issuer and the Trustee, the events of default in relation to a Rated Category or an Unrated Category will include but will not be limited to the following:
- (i) the Issuer fails to pay any Coupon due on any of the Senior Take-out MTNs of such Category on the relevant Coupon Payment Date or any principal due on the Senior Take-out MTNs of such Category on the relevant Legal Maturity Date. Failure to pay Coupon and/or principal on any Junior Take-out MTNs of such Category will not constitute an event of default;
  - (ii) other than in respect of its obligations referred to in paragraph (i) above and its obligations that are specifically related to the Junior Take-out

MTNs of such Category and the MTNs under the other Categories, the Issuer breaches its obligations in respect of the Senior Take-out MTNs of such Category or under any of the Transaction Documents which in the opinion of the Trustee, is incapable of remedy; or which, in the opinion of the Trustee being capable of remedy, is not remedied to the satisfaction of the Trustee within a period to be determined;

(iii) (a) it becomes unlawful for the Issuer to perform its obligations under the Senior Take-out MTNs of such Category or any of the Transaction Documents (save and except its obligations that are specifically related to the Junior Take-out MTNs of such Category and the MTNs under the other Categories); or

(b) it becomes unlawful for the holders of the Senior Take-out MTNs of such Category to continue to subscribe for the Senior Take-out MTNs of such Category (including a breach of BNM's Guidelines on Credit Transactions and Exposures with Connected Parties, and such event is continuing and not remedied with a period of three (3) months or any such shorter period provided by the relevant regulatory authority ("**Investor Unlawful Event**")

(iv) the Issuer repudiates any of the Transaction Documents;

(v) a winding up order has been made against the Issuer or a resolution to wind up the Issuer has been passed;

(vi) a scheme of arrangement under Section 366 of the Companies Act has been instituted against the Issuer;

(vii) a receiver has been appointed over the whole or a substantial part of the assets of the Issuer;

(viii) any other indebtedness for borrowed monies of the Issuer becomes due and payable prior to its stated maturity or where the security created for any other indebtedness for borrowed monies becomes enforceable save and except for:

(a) its indebtedness under the Junior Take-out MTNs of such Category, the MTNs issued under the other Categories and the External Financing of the other Categories;

(b) the External Financing of such Category obtained from any Sponsor Group Entity;

(ix) there is a revocation, withholding or modification of a license, authorisation or approval that impairs or prejudices the Issuer's ability to comply with the terms and conditions of any of the Transaction Documents and such failure continues in excess of a period to be agreed;

(x) any of the provisions in the Transaction Documents become ineffective, invalid or unenforceable and in the opinion of the Trustee, such event is materially prejudicial to the interests of the holders of the Senior Take-out MTNs of such Category;

- (xi) any misrepresentation or incorrect or misleading representation, warranty or statement is made by the Issuer under any of the Transaction Documents and in the opinion of the Trustee, the same is materially prejudicial to the interests of the holders of the Senior Take-out MTNs of such Category;
- (xii) the Issuer changes the nature or scope of its business, suspends or ceases or threatens to suspend or cease a substantial part of its business operations;
- (xiii) the Issuer becomes insolvent; and
- (xiv) any other events of default as provided in the Trust Deed.

Upon the occurrence of any of the above, the Trustee may, and shall upon instruction of an agreed majority of the holders of the senior-most class of MTNs then outstanding of such Category, declare that an Event of Default has occurred with respect to such Category.

Upon declaration of an Event of Default in relation to such Category save and except for the declaration of an Event of Default in relation to the Investor Unlawful Event, the holders of the Junior Take-out MTNs and/or the Bridge MTNs shall have the option to refinance the Senior Take-out MTNs of such Category (“**Refinancing Option**”) within 15 Business Days (or such longer period as may be agreed by the Trustee at the direction of an agreed majority of the holders of the senior-most class of Senior Take-out MTNs then outstanding of such Category) of the declaration of the Event of Default (“**Refinancing Period**”).

Upon the declaration of an Event of Default in relation to the Investor Unlawful Event and the holders of the Junior Take-out MTNs and/or the Bridge MTNs exercise the Refinancing Option, the holders of the Junior Take-out MTNs and/or the Bridge MTNs shall refinance all the Senior Take-out MTNs of such Category within three (3) Business Days from the date of declaration of such Event of Default in relation to such Category.

In the event that the holders of the Junior Take-out MTNs and/or the Bridge MTNs do not exercise the Refinancing Option or exercise the Refinancing Option but fail to refinance the Senior Take-out MTNs of such Category within the Refinancing Period, the Trustee shall upon the instruction of an agreed majority of the holders of the senior-most class of MTNs then outstanding of such Category dispose all the Take-out Properties of such Category and the proceeds of such disposal will be allocated to the relevant designated accounts of such Category.

- (B) Under the Trust Deed between the Issuer and the Trustee, the events of default in relation to the Bridge MTNs will include but will not be limited to the following:
  - (i) the Issuer repudiates any of the Transaction Documents;



- (ii) a winding up order has been made against the Issuer or a resolution to wind up the Issuer has been passed;
- (iii) a scheme of arrangement under Section 176 of the Companies Act has been instituted against the Issuer;
- (iv) a receiver has been appointed over the whole or a substantial part of the assets of the Issuer;
- (v) any other indebtedness for borrowed monies of the Issuer becomes due and payable prior to its stated maturity or where the security created for any other indebtedness for borrowed monies becomes enforceable save and except for:
  - (a) its indebtedness under the MTNs issued under the other Categories, the Rated Financing and the Unrated Financing; and
  - (b) the Bridge Financing obtained from any Sponsor Group Entity;
- (vi) there is a revocation, withholding or modification of a license, authorisation or approval that impairs or prejudices the Issuer's ability to comply with the terms and conditions of any of the Transaction Documents and such failure continues in excess of a period to be agreed;
- (vii) the Issuer changes the nature or scope of its business, suspends or ceases or threatens to suspend or cease a substantial part of its business operations;
- (viii) the Issuer becomes insolvent; and
- (ix) any other events of default as provided in the Trust Deed.

For the avoidance of doubt, failure to pay Coupon and/or principal on any Bridge MTNs will not constitute an event of default.

Upon the occurrence of any of the above, the Trustee may, and shall upon instruction of an agreed majority of the holders of the Bridge MTNs, declare that an Event of Default has occurred with respect to the Bridge MTNs.

Upon declaration of an Event of Default in relation to the Bridge MTNs, the Trustee shall upon the instruction of an agreed majority of the holders of the Bridge MTNs then outstanding, dispose all the Bridge Properties and the proceeds of such disposal will be allocated to the relevant designated accounts of the Bridge MTNs.

- (C) The Issuer is not permitted to issue new Bridge MTNs to finance the purchase of new properties after a declaration of Event of Default of any Category save for (1) refinancing of existing Senior Take-out MTNs within the Refinancing Period and (2) for completion of Bridge Property transactions which are currently in progress but not yet concluded.

- (D) Any action taken by the holders of the senior-most class of MTNs of the:
- (i) Rated Category shall bind the holders of all MTNs of the Rated Category; and
  - (ii) Unrated Category shall bind the holders of all MTNs of the Unrated Category.
- (E) In relation to the Bridge MTNs Security, any decision to enforce any rights under the Security Documents in relation to the Bridge MTNs Security shall be taken by the holders of the Bridge MTNs. In relation to the Rated Category Security, any decision to enforce any rights under the Security Documents in relation to the Rated Category Security shall be taken by the holders of the senior-most Class of MTNs then outstanding of the Rated Category.

In relation to the Unrated Category Security, any decision to enforce any rights under the Security Documents in relation to the Unrated Category Security shall be taken by the holders of the senior-most Class of MTNs then outstanding of the Unrated Category.

In relation to the Shared Security, any decision to enforce any rights under the Security Documents in relation to the Shared Security shall be taken by the holders of the senior-most class of MTNs then outstanding of the Rated Category and the Unrated Category.

- Listing Status : The MTNs will not be listed or quoted on the Bursa Malaysia Securities Berhad or any other stock exchange.
- Repurchase : The Issuer may repurchase any MTNs and shall immediately cancel the MTNs.
- Minimum level of subscription (RM or %) : The minimum level of subscription for each issue of the MTNs under the MTN Programme shall be 100% of the size of a particular issue.
- Other regulatory approvals required : The SC in its letter dated 11 May 2007 has granted waivers on paragraph 3.01 (definition of “originator”), 4.01(3)(a), 5.04 and 11.01(h) of the ABS Guidelines and paragraph 7.02 of the PDS Guidelines and in its letter dated 19 December 2007 has granted waiver to allow holdings by the Sponsor of any non-investment grade rated Senior Take-out MTNs to be considered as holdings of subordinated securities for the purpose of Paragraph 5.04 of the ABS Guidelines.
- Conditions Precedent to the availability of the MTN Programme : To include, but not limited to, the following:
- A) Execution of Documents
    - (i) The Transaction Documents (other than the Sale and Purchase Agreements) have been signed and stamped or endorsed as

exempted under Stamp Duty Exemption (No. 23) Order 2000 or Stamp Duty Exemption (No. 12) Order 2001 as the case may be.

B) The Issuer

- (i) Certified true copies of the Certificate of Incorporation, and the Memorandum and Articles of Association, Forms 9, 20, 24 and 49 of the Issuer;
- (ii) A certified true copy of a board resolution of the Issuer authorising, among others, the execution of the Transaction Documents;
- (iii) A list of the Issuer's authorised signatories and their respective specimen signatures;
- (iv) A report of the companies search conducted at the Companies Commission of Malaysia ("CCM") confirming that there are no charges that have been registered in the CCM against the Issuer's assets;
- (v) A report of the winding up search conducted at the office of the Director-General of Insolvency confirming that the Issuer has not been wound up. In the event the winding-up search result of the Issuer is not available, the relevant statutory declaration in form and substance acceptable to the Joint Lead Arrangers signed by a director of the Issuer declaring that the Issuer is not wound up and that no winding-up petition has been presented against the Issuer; and
- (vi) Reports of searches conducted at other relevant public registries, if any.

C) The Sponsor

- (i) Certified true copies of the Certificate of Incorporation, and the Memorandum and Articles of Association, Forms 9, 20, 24 and 49 of the Sponsor;
- (ii) A certified true copy of a board resolution of the Sponsor authorising, among others, the execution of the Transaction Documents (if applicable and where relevant);
- (iii) A list of the Sponsor's authorised signatories and their respective specimen signatures;
- (iv) A report of the winding up search conducted at the office of the Director-General of Insolvency confirming that the Sponsor has not been wound up. In the event the winding up search result is not available, the relevant statutory declaration of the Sponsor in form and substance acceptable to the Joint Lead Arrangers signed by a director of the Sponsor declaring that the Sponsor is not wound up and that no winding-up petition has been presented against the Sponsor; and
- (v) Reports of searches conducted at other relevant public registries, if any.

D) General

- (i) The approvals from the SC and any other relevant authorities;
- (ii) A legal opinion (in form and substance acceptable to the Joint Lead Arrangers) from solicitors acting for the Joint Lead

- Arrangers addressed to the Joint Lead Arrangers advising with respect to, among others, the legality, validity and enforceability of the Transaction Documents;
- (iii) A written confirmation (in form and substance acceptable to the Joint Lead Arrangers) from the solicitors acting for the Joint Lead Arrangers addressed to the Joint Lead Arrangers that all the conditions precedent have been fulfilled and where required, all the necessary Transaction Documents have been presented for registration with the relevant registries, including but not limited to the CCM and the High Court of Malaya;
  - (iv) Confirmation that the bank accounts specified in the section ACCOUNTS (collectively the “**Designated Accounts**”) have been opened for the purposes stated herein with a licensed financial institution and the particulars of such accounts together with the relevant acknowledgement from the said financial institution and the particulars of the mandates have been provided by the Issuer to the Trustee and the Joint Lead Arrangers;
  - (v) The mandates for operating the Designated Accounts have been issued in favour of the Trustee as the sole signatory;
  - (vi) Notices of assignment of the relevant Transaction Documents have been given to the relevant counterparties in accordance with the terms of the Security Documents; and
  - (vii) other conditions as provided in the Programme Agreement.

Conditions Precedent : To include, but not limited to, the following (in form and substance acceptable for the issuance of the Lead Arranger and Lead Manager(s)):

Take-out MTNs

A) General

- (i) In relation to a Rated Series, the Senior Take-out MTNs achieve their desired rating as agreed upon between the Issuer and the Lead Manager(s) prior to each issuance;
- (ii) Satisfaction of all conditions precedent in the relevant sale and purchase agreements (which will include all necessary regulatory or contractual consents for the transfer of the properties to the Issuer);
- (iii) No Event of Default shall occur as a result of the issuance; and
- (iv) In relation to a Rated Series, no change in the rating of existing Senior Take-out MTNs of all Rated Series shall occur as a result of the issuance; and
- (v) The relevant Property has not been vacant for a period of more than six (6) months in the preceding twelve (12) months period prior to the issuance of Senior Take-out MTNs OR the relevant Property is under a lease/tenancy agreement with a remaining tenancy/lease of at least twelve (12) months whereby the determination of the remaining tenancy/lease period shall be computed based on an average of the remaining tenancy/lease period of the relevant Properties; and
- (vi) In relation to an Unrated Series, the loan-to-value ratio (“LTV Ratio”) is not more than sixty percent (60%). The LTV Ratio is

defined as follows:

Nominal value of all Senior Take-out MTNs of all Unrated Series then outstanding <p style="text-align: center;">+</p> Nominal value of new Senior Take-out MTNs of Unrated Series proposed to be issued <hr style="border: 1px solid black;"/> Current market value of all existing Unrated Take-out Properties <p style="text-align: center;">+</p> Where applicable, current market value of the new Unrated Take-out Properties	x	100%
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Conditions Precedent for the issuance of Bridge MTNs : To include, but not limited to, the following (in form and substance acceptable to the Lead Arranger and Lead Manager(s)) :

A) Documents

- (i) The sale and purchase agreement for purchase of the relevant Property has been duly signed and stamped or endorsed as exempted from stamp duty;
- (ii) Sponsor has provided a due diligence confirmation to the Issuer;
- (iii) Lead Arranger has provided a due diligence confirmation to the Issuer; and
- (iv) The relevant Originator has provided the existing tenancy and/or lease agreement in relation to the relevant Property to the Issuer.

B) General

- (i) No Event of Default shall arise as a result of issuance of the Bridge MTNs; and

C) Conditions Subsequent

- (i) To obtain contractual and regulatory consents in respect of the sale and transfer of the Bridge Properties to the Issuer.

Representations and warranties related to the MTNs : The representations and warranties by the Issuer in respect of the MTNs include the following:

- (i) The Issuer is a limited liability company duly incorporated and validly existing under the laws of Malaysia, has power to carry on its business and to own its property and assets and has complied in all material respects with all legal and regulatory requirements related to its business;
- (ii) The execution, delivery and performance by the Issuer of the Transaction Documents is properly authorised;
- (iii) The execution, delivery and performance by the Issuer of the Transaction Documents is in compliance with the applicable laws;
- (iv) The Transaction Documents constitute legal, valid and binding

- obligations of the Issuer enforceable in accordance with their terms;
- (v) All filings legally required of the Issuer have been effected;
  - (vi) The Issuer has not engaged in any activities since its incorporation other than those contemplated by the Transaction Documents;
  - (vii) No litigation or other proceedings are in progress or pending against the Issuer;
  - (viii) No steps for the winding-up of the Issuer have been taken;
  - (ix) No default by the Issuer of any terms of the Transaction Documents or affecting it has occurred;
  - (x) The Issuer has complied with all undertakings, covenants and other obligations under the Transaction Documents or affecting it;
  - (xi) All information furnished by the Issuer is true and correct in all material aspects and not misleading and there is no material omission from such information;
  - (xii) There has been no material adverse change in financial condition of the Issuer which may affect the success of the issue of the MTNs;
  - (xiii) No information or documents have been withheld from the Lead Arranger or the Lead Manager(s) or the Primary Subscriber(s) (as the case may be) which may in any way materially and adversely affect their decision to subscribe for the MTNs or enter into and perform their obligations under the Transaction Documents;
  - (xiv) The MTNs will constitute direct, unconditional and secured obligations of the Issuer subject to ranking provisions;
  - (xv) None of the assets, properties or rights of the Issuer are affected by any security interest other than those created under the relevant Transaction Documents;
  - (xvi) The Issuer is conducting its business and operations in compliance with all applicable laws and regulations;
  - (xvii) The Properties satisfy the Eligibility Criteria as stated in the section entitled Eligibility Criteria under the section of The Properties below; and
  - (xviii) Other representations and warranties as provided in the Programme Agreement.

Early Disposal Events : If any of the following events (the “**Early Disposal Events**”, each, an “**Early Disposal Event**”) occurs under the Rated Category or the Unrated Category (“**Relevant Take-out Category**”):

- (i) the basis of taxation submitted to the tax authorities is disputed by the tax authorities, which the Trustee deems could result in significant additional tax assessments payable resulting in material adverse effect on the Issuer to meet its obligations under any Senior Take-out MTNs of the Relevant Take-out Category and notwithstanding any objection lodged by the Issuer;
- (ii) occurrence of a Servicer Event of Default and a substitute servicer acceptable to Trustee and the Rating Agency is not appointed within 3 months;
- (iii) the Issuer shall for any reason fail to have a valid legal and beneficial ownership or a valid legal right, title, interest and benefit in and to the lease, sub-lease or tenancy in its capacity as lessee, sub-lessee or tenant of a material part of the Take-out Properties of the Relevant Take-out

Category and the proceeds thereof, free and clear of all liens, security interests, charges, encumbrances or adverse claims, except as provided in the Transaction Documents;

- (iv) failure of the Issuer to redeem the relevant Senior Take-out MTNs of the Relevant Take-out Category on any Expected Maturity Date;
- (v) in the event that any Take-out Property of the Relevant Take-out Category or Properties of the Relevant Take-out Category of an aggregate value to be determined shall be subject to a compulsory acquisition by the relevant authorities;
- (vi) in the event the aggregate value of any lease, sub-lease or tenancy of the Relevant Take-out Category terminated prior to the last date of its contractual term by the relevant lessor, sub-lessor or landlord exceeds an agreed percentage (to be determined) of the aggregate value of all Properties of the Relevant Take-out Category owned, leased, sub-leased or tenanted by the Issuer;
- (vii) failure to meet the Rated Target Level or the Unrated Target Level, as the case may be, which continues unremedied within a period of sixty (60) days;

then the Trustee may, and shall if instructed by a specified majority of the then senior-most class of MTNs outstanding under the Relevant Take-out Category, declare that an Early Disposal Event has occurred under that Relevant Take-out Category and require the Issuer to take all means necessary to dispose sufficient Take-out Properties charged as security for that Relevant Take-out Category to repay all outstanding Take-out MTNs under that Relevant Take-out Category. For avoidance of doubt, the Trustee is not obliged to immediately dispose (a) the Bridge Properties unless a Bridge Disposal Event has occurred; (b) the Rated Take-out Properties unless an Early Disposal Event has occurred in relation to the Rated Category; (c) the Unrated Take-out Properties unless an Early Disposal Event has occurred in relation to the Unrated Category, and in all circumstances upon being duly instructed by the relevant Noteholders of the Bridge MTNs, the Rated Category or the Unrated Category, as the case may be.

The Trustee (at the directions of the senior-most Class of MTNs under the Relevant Take-out Category) will be instructed to ensure expediency in recovery of proceeds from the disposal of Take-out Properties charged as security for that Relevant Take-out Category, including deciding which Take-out Property(ies) charged as security for that Relevant Take-out Category to dispose and the manner of disposal. If an Early Disposal Event occurs prior to the Expected Maturity Date, the period for disposal may be more than 18 months.

However, if an Early Disposal Event occurs as a result of non-payment on the Expected Maturity Date, the period for disposal shall not extend beyond the Legal Maturity Date. Any delay in the disposal of Take-out Properties beyond the Legal Maturity Date shall result in an Event of Default if principal is not redeemed by the Legal Maturity Date and the holders of the senior-most class of MTNs under the Relevant Take-out Category will be entitled to instruct the

Trustee to dispose all the Take-out Properties under the Relevant Take-out Category.

Save for issuance of Junior Take-out MTNs for capital expenditure and/or operating expenditure purposes, the Issuer shall not be permitted to issue new Take-out MTNs under a Relevant Take-out Category after a declaration of an Early Disposal Event has occurred under that Relevant Take-out Category.

The Issuer shall not be permitted to issue new Bridge MTNs after a declaration of an Early Disposal Event save and except for (1) issue of Bridge MTNs to complete any acquisition of Bridge Properties in progress but not completed and (2) issue of Bridge MTNs to refinance existing Senior Take-out MTNs within the Refinancing Period (as defined in the section EVENTS OF DEFAULT).

**Bridge MTNs Issuance Prohibition** : Upon a declaration of an Event of Default, the Issuer will not be permitted to issue new Bridge MTNs save and except for (1) issue of Bridge MTNs to complete any acquisition of Bridge Properties in progress but not completed and (2) issue of Bridge MTNs to refinance existing Senior Take-out MTNs within the Refinancing Period (as defined in the section EVENTS OF DEFAULT).

**Senior-most ranking class of MTNs** : The most senior ranking class of MTN outstanding at point of determination.

**Early Redemption Option: Bridge MTNs** : Bridge MTNs have an early redemption option which is exercisable at any time by the Issuer by provision of prior written notice to the relevant holders of the Bridge MTNs. Such early redemption shall only occur if the Bridge MTNs are to be refinanced by Bridge MTNs, Take-out MTNs or from proceeds pursuant to disposal of Bridge Properties or disposal of Take-out Properties or pursuant to a Bridge Disposal Event or exercise of the Sponsor Call Option.

For avoidance of doubt, any such early redemption shall not be subject to prepayment costs.

**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 other applicable jurisdictions, or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. The Issuer shall not be required to gross up in connection with such withholding or deduction.

**Adverse Market** : From the date a formal offer is made by the Lead Manager(s) until the first issue date of the Senior Take-out MTNs and, for subsequent issuance of any Senior Take-out MTNs, prior to the respective issuance dates, the Lead Manager(s) retain the right to amend, withdraw and/or terminate the offer if there occurs any event or circumstance which, in the opinion of the Lead Manager(s), may materially and adversely affect any of the international and domestic money, capital or syndicated loan markets, the business activities of the Issuer and/or the Sponsor (including any of its subsidiaries and/or associated companies) and/or the social, political, financial and/or economic situation in Malaysia.



- Clear Market : For the first issuance of the Senior Take-out MTNs, from the date a formal offer is made by the Lead Manager(s) until the expiry of twenty (20) Business Days after the first issuance of the Senior Take-out MTNs, and for the subsequent issuance of Senior Take-out MTNs during the period commencing twenty (20) Business Days before the relevant issuance date and ending twenty (20) Business Days after the relevant issuance date, the Issuer and/or the Sponsor shall ensure that no other borrowings, debt instruments or securities issued and/or guaranteed by the Issuer and/or the Sponsor and/or any of its subsidiaries and associated companies are mandated, syndicated or privately placed which may, in the opinion of the Lead Manager(s) (acting reasonably), have the effect of prejudicing the successful completion of this transaction and the placement and/or selling down of the relevant Senior Take-out MTNs.
- Refinancing : Where the Issuer intends to refinance any Series of Senior Take-out MTNs on their Expected Maturity Dates, the Issuer shall also refinance the Junior Take-out MTNs of the same Series on their Expected Maturity Dates.
- Governing Law : The Notes and all Issue Documents and Transaction Documents will be governed by Malaysian law. Parties to the Issue Documents and Transaction Documents submit to the exclusive jurisdiction of the courts of Malaysia.

## Accounts

- Overview : The Issuer is required to open and maintain the following designated accounts with a financial institution which carries a minimum credit rating of A+/MARC-1 by Malaysian Rating Corporation Berhad (“**MARC**”) and/or A1/P1 by RAM Rating Services Berhad (“**RAM**”) or any other financial institution acceptable to the Rating Agency and shall be operated solely by the Trustee:

### For Rated Take-out Properties and Take-out MTNs under the Rated Category

- (a) Rated Collection Account;
- (b) Rated Escrow Account;
- (c) Rated Debt Service Reserve Account;
- (d) Rated Disbursement Account.

The Issuer is required to open and maintain the following designated accounts with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee and shall be operated solely by the Trustee:

### For Unrated Take-out Properties and Take-out MTNs under the Unrated Category

- (a) Unrated Collection Account;
- (b) Unrated Escrow Account;
- (c) Unrated Debt Service Reserve Account;
- (d) Unrated Disbursement Account.

For Bridge MTNs

- (a) Bridge Collection Account;
- (b) Bridge Disbursement Account.

Collection Accounts : Rated Collection Account

A bank account to hold collections derived from the Rated Take-out Properties shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Rating Agency (the “**Rated Collection Account**”).

Proceeds derived from the Rated Take-out Properties including security and rental deposits\* and insurance proceeds (if any) (the “**Rated Collections**”) shall be deposited into the Rated Collection Account and distributed in accordance with the provisions set out below. The Rated Collection Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Rated Collection Account which is not utilised in payment as provided herein shall be retained in the Rated Collection Account and may be invested in Permitted Investments.

Unrated Collection Account

A bank account to hold collections derived from the Unrated Take-out Properties shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee (the “**Unrated Collection Account**”).

Proceeds derived from the Unrated Take-out Properties including security and rental deposits\* and insurance proceeds (if any) (the “**Unrated Collections**”) shall be deposited into the Unrated Collection Account and distributed in accordance with the provisions set out below. The Unrated Collection Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Unrated Collection Account which is not utilised in payment as provided herein shall be retained in Unrated Collection Account and may be invested in Permitted Investments.

\* In the event the security and rental deposits are deemed paid (whether in full or in part) to the Issuer by or on behalf of the vendor of the relevant Property pursuant to any arrangement (including, without limitation, a set-off arrangement) agreed between the Issuer and such vendor, such portion of the issue proceeds from the relevant MTNs sufficient to fund/top up the:

- (a) Rated Deposit Minimum Amount shall be deposited into the Rated Collection Account; or
- (b) Unrated Deposit Minimum Amount shall be deposited into the Unrated Collection Account,

as the case may be.

The security and rental deposits portion in the Rated Collection Account or the Unrated Collection Account as the case may be, shall be available for utilisation in accordance with the section of Rated Collections or Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS, as the case may be, subject to compliance of the following conditions:

- (a) The Rated Deposit Minimum Amount is maintained at all times in the Rated Collection Account;
- (b) The Unrated Deposit Minimum Amount is maintained at all times in the Unrated Collection Account;
- (c) The issuance of a written undertaking from the Sponsor to the Trustee that it will ensure that the Rated Deposit Minimum Amount shall be maintained at all times in the Rated Collection Account and the Unrated Deposit Minimum Amount shall be maintained at all times in the Unrated Collection Account, as the case may be, and where required, to top up the security or rental deposit amount required to be refunded by the Issuer to the lessee or tenant pursuant to the terms of the relevant lease or tenancy agreement;
- (d) In the event the security and rental deposits are deemed refunded in full to the relevant tenant/lessee as a result of an arrangement or agreement entered into between the relevant tenant/lessee and the Issuer or forfeited, such security and rental deposits portion in the Rated Collection Account or the Unrated Collection Account, as the case may be, shall be available for utilisation in accordance with the section of Rated Collections or Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS, as the case may be; and
- (e) In the event the setting aside under item (xiii) of the Rated Collections and Unrated Collections respectively in accordance with the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS is no longer required due to a renewal of the relevant lease or tenancy agreement, such amount which has been set aside shall be available for utilisation in accordance with the section of Rated Collections or Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS, as the case may be.

(The funds available for utilisation in accordance with the section of Rated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS as stated in sub-paragraphs (d) and (e) above shall be referred to as the “**Available Rated Funds**”)

(The funds available for utilisation in accordance with the section of Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS as stated in sub-paragraphs (d) and (e) above shall be referred to as the “**Available Unrated Funds**”)

The Servicer shall notify the Trustee and the Sponsor in the event of any change in the Rated Deposit Minimum Amount or the Unrated Deposit Minimum Amount within 14 Business Days of such change. Any shortfall of the:

- (a) Rated Deposit Minimum Amount in the Rated Collection Account or Unrated Deposit Minimum Amount in the Unrated Collection Account, as the case may be; or
- (b) security or rental deposit amount required to be refunded by the Issuer to the lessee or tenant pursuant to the terms of the relevant lease or tenancy agreement,

shall be topped up by the Sponsor into the Rated Collection Account or the Unrated Collection Account as the case may be, within 14 days after the Sponsor has been notified by the Servicer or the Trustee in writing of the shortfall.

Application of  
Proceeds: Collection  
Accounts

: For each quarterly calendar period commencing from the first issuance date of the Take-out MTNs under the MTN Programme, the Calculation Agent will determine the Rated Collections received from the Rated Take-out Properties and the Unrated Collections received from the Unrated Take-out Properties in relation to the relevant servicing period thereof. The quarterly calendar period may be adjusted for consistency with each coupon period.

#### Rated Collections

The Rated Collections including the Available Rated Funds (less the security and rental deposits up to the Rated Deposit Minimum Amount) will be applied on each Coupon Payment Date (save for items (i) to (vii) (inclusive), item (x) and item (xi) which may be paid anytime as and when due, item (xii) which shall be paid in accordance with such period as set out in the relevant Transaction Document and item (xiii) which may be set aside within a period commencing six (6) months before the scheduled expiry of the lease or tenancy in relation to the relevant Rated Take-out Property and to the extent of funds available) in the following priority and manner:

- (i) to bring the level of the Rated Debt Service Reserve Account to the Rated Target Level (hereinafter defined);
- (ii) to pay any taxes and government charges in relation to Rated Take-out Properties;
- (iii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Rated Take-out Properties;
- (iv) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Rated Take-out Properties and/or Take-out MTNs of all Rated Series;
- (v) to pay any operating costs and expenses of the Issuer in relation to the Rated Take-out Properties;
- (vi) to pay any accrued and unpaid base Servicer, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to Rated Take-out Properties;

- (vii) to meet the cost and expenses in relation to the Rated Take-out Properties, including building and maintenance, utilities, upgrading building works operating and capital expenditure, land rent, marketing and promotion expense and insurance expense PROVIDED ALWAYS THAT such expenditure is not expected to result in inability of the Issuer to meet its obligations under any Senior Take-out MTNs of all Rated Series;
- (viii) to pay Coupon on Senior Take-Out MTNs of all Rated Series, in order of seniority;
- (ix) after their Expected Maturity Dates, to pay principal on Senior Take-Out MTNs of all Rated Series, in order of seniority;
- (x) to pay the interest due under the Rated Financing (if any);
- (xi) to pay the principal payments due under the Rated Financing (if any);
- (xii) to pay any performance incentive fees to the Servicer and Asset Manager;
- (xiii) to set aside an amount (net of the Rated Deposit Minimum Amount in the Rated Collection Account) sufficient to refund the security and rental deposit to the relevant tenant or lessee in relation to any relevant lease or tenancy of any Rated Take-out Property which has a remaining tenure of 6 months prior to the scheduled expiry of such lease or tenancy; and
- (xiv) to pay Coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Rated Series.

The security and rental deposits in the Rated Collection Account shall be refunded to the relevant tenant or lessee in accordance with the terms and conditions of the lease or tenancy in relation to the relevant Rated Take-out Property.

#### Unrated Collections

The Unrated Collections including the Available Unrated Funds (less the security and rental deposits up to the Unrated Deposit Minimum Amount) will be applied on each Coupon Payment Date (save for items (i) to (vii) (inclusive), item (x) and item (xi) which may be paid anytime as and when due, item (xii) which shall be paid in accordance with such period as set out in the relevant Transaction Document and item (xiii) which may be set aside within a period commencing six (6) months before the scheduled expiry of the lease or tenancy in relation to the relevant Unrated Take-out Property and to the extent of funds available) in the following priority and manner:

- (i) to bring the level of the Unrated Debt Service Reserve Account to the Unrated Target Level (hereinafter defined);
- (ii) to pay any taxes and government charges in relation to Unrated Take-out Properties;
- (iii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Unrated Take-out Properties;

- (iv) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Unrated Take-out Properties and/or Take-out MTNs of all Unrated Series;
- (v) to pay any operating costs and expenses of the Issuer in relation to the Unrated Take-out Properties;
- (vi) to pay any accrued and unpaid base Servicer, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to Unrated Take-out Properties;
- (vii) to meet the cost and expenses in relation to the Unrated Take-out Properties, including building and maintenance, utilities, upgrading building works operating and capital expenditure, land rent, marketing and promotion expense and insurance expense PROVIDED ALWAYS THAT such expenditure is not expected to result in inability of the Issuer to meet its obligations under any Senior Take-out MTNs of all Unrated Series;
- (viii) to pay coupon on Senior Take-Out MTNs of all Unrated Series, in order of seniority;
- (ix) after their Expected Maturity Dates, to pay principal on Senior Take-Out MTNs of all Unrated Series, in order of seniority;
- (x) to pay the interest due under the Unrated Financing (if any);
- (xi) to pay the principal payments due under the Unrated Financing (if any);
- (xii) to pay any performance incentive fees to the Servicer and Asset Manager;
- (xiii) to set aside an amount (net of the Unrated Deposit Minimum Amount in the Unrated Collection Account) sufficient to refund the security and rental deposit to the relevant tenant or lessee in relation to any relevant lease or tenancy of any Unrated Take-out Property which has a remaining tenure of 6 months prior to the scheduled expiry of such lease or tenancy; and
- (xiv) to pay coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Unrated Series.

The security and rental deposits in the Unrated Collection Account shall be refunded to the relevant tenant or lessee in accordance with the terms and conditions of the lease or tenancy in relation to the relevant Unrated Take-out Property.

#### General

For avoidance of doubt, fees, costs and expenses to service providers to be apportioned between Rated Take-out Properties, Unrated Take-out Properties and Bridge Properties shall be *pro rata* by issuance amount or by balance principal amount of Take-out MTNs under the Rated Category, Take-out MTNs under the Unrated Category and Bridge MTNs (as appropriate) unless solely attributable to

the Properties under a Category which in such circumstance will be borne solely from the collections derived from the Properties under such Category. For each Category, the fees, costs and expenses to the service providers shall be paid from the Collection Account of the respective Category.

Escrow Accounts : Rated Escrow Account

A bank account to hold proceeds from the sale of Rated Take-out Properties shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Rating Agency (the “**Rated Escrow Account**”).

The Rated Escrow Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Rated Escrow Account which is not utilised in payment as provided herein shall be retained in the Rated Escrow Account and may be invested in Permitted Investments.

Unrated Escrow Account

A bank account to hold proceeds from the sale of Unrated Take-out Properties shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee (the “**Unrated Escrow Account**”).

The Unrated Escrow Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Unrated Escrow Account which is not utilised in payment as provided herein shall be retained in the Unrated Escrow Account and may be invested in Permitted Investments.

Application of Proceeds: Escrow Account—Early Disposal Events : Rated Escrow Account

On each Coupon Payment Date (save for items (i) to (iv) (inclusive) which may be paid anytime as and when due and to the extent of funds available) following the declaration of an Early Disposal Event in relation to the Rated Category, the proceeds of disposal of the Rated Take-out Properties arising from the Early Disposal Event in relation to the Rated Category shall be deposited into the Rated Escrow Account and shall be applied in the following priority and manner:

- (i) to pay any taxes and government charges due in relation to Rated Take-out Properties;
- (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Rated Take-out Properties;
- (iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent in relation to Rated Take-out Properties and/or Take-out MTNs of all Rated Series,
- (iv) to pay any accrued and unpaid base Servicer Fee, cost and expenses in

relation to Rated Take-out Properties;

- (v) to pay coupon on Senior Take-out MTNs of all Rated Series *pro rata* and in order of Class ranking and regardless of Rated Series;
- (vi) to pay principal on Senior Take-out MTNs of all Rated Series *pro rata* in order of Class ranking and regardless of Rated Series;
- (vii) to pay the interest due under the Rated Financing (if any);
- (viii) to pay the principal payments due under the Rated Financing (if any);
- (ix) to pay principal on Junior Take-out MTNs of all Rated Series *pro rata* regardless of Rated Series; and
- (x) to pay coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Rated Series *pro rata* and regardless of Rated Series.

For avoidance of doubt application of monies pursuant to this item (v) and (vi) shall be *pro rata* in order of Class ranking until the senior-most Class of Senior Take-out MTNs of all Rated Series has been fully repaid, before being applied to the next senior-most Class of Take-out MTNs of all Rated Series and so forth. In this manner Class A Senior Take-out MTNs of all Rated Series shall be amortised to zero before Class B Senior Take-out MTNs of all Rated Series and so forth.

#### Unrated Escrow Account

On each Coupon Payment Date (save for items (i) to (iv) (inclusive) which may be paid anytime as and when due and to the extent of funds available) following the declaration of an Early Disposal Event in relation to the Unrated Category, the proceeds of disposal of the Unrated Take-out Properties arising from the Early Disposal Event in relation to the Unrated Category shall be deposited into the Unrated Escrow Account and shall be applied in the following priority and manner:

- (i) to pay any taxes and government charges due in relation to Unrated Take-out Properties;
- (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Unrated Take-out Properties;
- (iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent in relation to Unrated Take-out Properties and/or Take-out MTNs of all Unrated Series,
- (iv) to pay any accrued and unpaid base Servicer Fee, cost and expenses in relation to Unrated Take-out Properties;
- (v) to pay coupon on Senior Take-out MTNs of all Unrated Series *pro rata* and in order of Class ranking and regardless of Unrated Series;
- (vi) to pay principal on Senior Take-out MTNs of all Unrated Series *pro rata* in



order of Class ranking and regardless of Unrated Series;

- (vii) to pay the interest due under the Unrated Financing (if any);
- (viii) to pay the principal due under the Unrated Financing (if any);
- (ix) to pay principal on Junior Take-out MTNs of all Unrated Series *pro rata* regardless of Unrated Series; and
- (x) to pay coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Unrated Series *pro rata* and regardless of Unrated Series.

For avoidance of doubt application of monies pursuant to this item (v) and (vi) shall be *pro rata* in order of Class ranking until the senior-most Class of Senior Take-out MTNs of all Unrated Series has been fully repaid, before being applied to the next senior-most Class of Take-out MTNs of all Unrated Series and so forth. In this manner Class A Senior Take-out MTNs of all Unrated Series shall be amortised to zero before Class B Senior Take-out MTNs of all Unrated Series and so forth.

#### General

Any excess monies after application of the priority of payments above shall be held by the Issuer and utilised in accordance with the instructions of the Trustee in accordance with the direction of an agreed majority of the senior-most Class of MTNs outstanding of the Rated Category or the Unrated Category, as the case may be, or if no MTNs are outstanding then as instructed by the Asset Manager.

Application of  
Proceeds: Escrow  
Accounts—disposal  
of properties

: Rated Escrow Account

The proceeds of disposal of the Rated Take-out Properties arising from the disposal of such Rated Take-out Properties shall be deposited into the Rated Escrow Account and such proceeds (less any security and rental deposits) can only be utilised for the following purposes:

- (i) to finance the acquisition of new Rated Take-out Property(ies) and/or for repayment of any Bridge MTNs issued specifically to bridge finance the purchase of such Rated Take-out Property(ies)<sup>1</sup>; and/or
- (ii) for the repayment/prepayment of Senior Take-out MTNs and Junior Take-out MTNs of the relevant Rated Series and the Rated Financing (if any),

within 6 months (or such longer period agreed by the Trustee at the direction of an agreed majority of the senior-most Class of Senior Take-out MTNs of the Rated Category) from the completion of the disposal of such Rated Take-out Properties (i.e. upon receipt of 100% of the sale consideration).

- (A) Where the Issuer opts to utilise the net proceeds from disposal of properties to finance the acquisition of new Rated Take-out Property(ies), proceeds shall be utilised in the following manner and priority specified below:

- (i) to pay any taxes and government charges due in relation to Rated Take-out Properties;
- (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Rated Take-out Properties;
- (iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent in relation to Rated Take-out Properties and/or Take-out MTNs of all Rated Series;
- (iv) to pay any accrued and unpaid base Servicer Fee, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to Rated Take-out Properties;
- (v) to meet the deposit for the said Rated Take-out Property(ies) and/or repayment of any Bridge MTNs issued to bridge finance the deposit for the said Rated Take-out Property(ies);
- (vi) for the balance purchase price of the said Rated Take-out Property(ies) and/or repayment of any Bridge MTNs issued to bridge finance the balance purchase price for the said Rated Take-out Property(ies); and
- (vii) balance of monies after (i) to (vi) shall be applied as follows:
  - (a) if the net proceeds from disposal of the Rated Take-out Property exceeds the original purchase price of the said Property, then such excess in the manner specified in (B)(ix);
  - (b) any balance thereof in the manner specified in (B) (viii).

For avoidance of doubt, acquisition financed by proceeds of disposal of Rated Take-out Properties will be conducted based on fair valuation duly supported by valuation report from independent valuers.

- (B) In the event where the disposal price of the Rated Take-out Property(ies) exceeds or is equivalent to or is less than the original purchase price and the Issuer opts to utilise the proceeds from such disposal for the repayment/prepayment of Senior Take-out MTNs and Junior Take-out MTNs of the relevant Rated Series and the Rated Financing (if any), then net proceeds from the disposal of the said Rated Take-out Property(ies) shall be utilised in the manner and priority specified below:
  - (i) to pay any taxes and government charges due in relation to Rated Take-out Properties;
  - (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Rated Take-out Properties;
  - (iii) to pay any accrued and unpaid fees, costs and expenses owing by

the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Rated Take-out Properties and/or Take-out MTNs of all Rated Series;

- (iv) to pay any accrued and unpaid base Servicer Fee, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to Rated Take-out Properties;
- (v) to repay/prepay Senior Take-out MTNs of the relevant Rated Series up to the amount of Senior Take-out MTNs of the relevant Rated Series issued to finance the acquisition of the said Property(ies) by order of maturity subject to clause REPAYMENT OF SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES below;
- (vi) to pay the interest due under the Rated Financing (if any);
- (vii) to pay the principal due under the Rated Financing (if any);
- (viii) to repay/prepay Junior Take-out MTNs of the relevant Rated Series on a pro-rata basis; and
- (ix) to repay/prepay Junior Take-out MTNs (that are not part of any Series) or to be utilized for the payment of additional coupon on Junior Take-out MTNs or payment of acquisition fee (if any) and/or disposal fee (if any) and/or disposal fee (if any) to the Asset Manager or such other party who provided the referral or related services for the acquisition/disposal.

For the avoidance of doubt, the Issuer shall be required to utilise proceeds from the completion of the disposal of such Properties (i.e. upon receipt of 100% of the sale consideration) for either (A) or (B) within 6 months (or such longer period agreed by the Trustee at the direction of an agreed majority of the senior-most class of Senior Take-out MTNs of the Rated Category), failing which the Trustee shall automatically utilise the disposal proceeds in the Rated Escrow Account in the manner specified in (B) above whereby the Trustee shall make payment upon written notice by the Calculation Agent.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Rated Escrow Account shall be transferred to the Rated Collection Account.

#### Unrated Escrow Account

The proceeds of disposal of the Unrated Take-out Properties arising from the disposal of such Properties shall be deposited into the Unrated Escrow Account and such proceeds (less any security and rental deposits) can only be utilised for the following purposes:

- (i) to finance the acquisition of new Unrated Take-out Property(ies) and/or for repayment of any Bridge MTNs issued specifically to bridge finance the purchase of such Unrated Take-out Property(ies)<sup>1</sup> whereby such purpose

shall be subject to the Disposal LTV Ratio; and/or

- (ii) for the repayment/prepayment of Senior Take-out MTNs and Junior Take-out MTNs of the relevant Unrated Series and the Unrated Financing (if any),

within 6 months (or such longer period agreed by the Trustee at the direction of an agreed majority of the senior-most Class of Senior Take-out MTNs of the Unrated Category) from the completion of the disposal of such Properties (i.e. upon receipt of 100% of the sale consideration).

In the event that the Issuer utilises the proceeds from the disposal of the Unrated Take-out Properties to finance the acquisition of new Unrated Take-out Property(ies) and/or for repayment of any Bridge MTNs issued specifically to bridge finance the purchase of such new Unrated Take-out Property(ies), the Issuer shall ensure that the Disposal LTV Ratio is not more than 60%.

For such purpose, the Disposal LTV Ratio is defined as follows:

$$\frac{\text{nominal value of all Senior Take-out MTNs of all Unrated Series then outstanding}}{\text{current market value of all existing Unrated Take-out Properties (excluding the current market value of the Unrated Take-out Properties to be disposed of)} + \text{current market value of the new Unrated Take-out Property(ies) to be acquired}} \times 100\%$$

The Disposal LTV Ratio shall be tested five (5) Business Days prior to the completion date of the acquisition of the new Unrated Take-out Property(ies). The current market value of the relevant Unrated Take-out Properties shall be based on the latest available valuation report(s).

- (A) Where the Issuer opts to utilise the net proceeds from disposal of properties to finance the acquisition of new Unrated Take-out Property(ies), proceeds shall be utilised in the following manner and priority specified below:
  - (i) to pay any taxes and government charges due in relation to Unrated Take-out Properties;
  - (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Unrated Take-out Properties;
  - (iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent in relation to Unrated Take-out Properties and/or Take-out MTNs of all Unrated Series;
  - (iv) to pay any accrued and unpaid base Servicer Fee, Property Manager

(if applicable) and base Asset Manager fees, costs and expenses in relation to Unrated Take-out Properties;

- (v) to meet the deposit for the said Unrated Take-out Property(ies) and/or repayment of any Bridge MTNs issued to bridge finance the deposit for the said Unrated Take-out Property(ies);
- (vi) for the balance purchase price of the said Unrated Take-out Property(ies) and/or repayment of any Bridge MTNs issued to bridge finance the balance purchase price for the said Unrated Take-out Property(ies); and
- (vii) balance of monies after (i) to (vi) shall be applied as follows:
  - (a) if the net proceeds from disposal of the Unrated Take-out Property exceeds the original purchase price of the said Property, then such excess in the manner specified in (B)(ix);
  - (b) any balance thereof in the manner specified in (B)(viii).

For avoidance of doubt, acquisition financed by proceeds of disposal of Unrated Take-out Properties will be conducted based on fair valuation duly supported by valuation report from independent valuers.

- (B) In the event where the disposal price of the Unrated Take-out Property(ies) exceeds or is equivalent to or is less than the original purchase price and the Issuer opts to utilise the proceeds from such disposal for the repayment/prepayment of Senior Take-out MTNs and Junior Take-out MTNs of the relevant Unrated Series and the Unrated Financing (if any), then net proceeds from the disposal of the said Unrated Take-out Property(ies) shall be utilised in the manner and priority specified below:
  - (i) to pay any taxes and government charges due in relation to Unrated Take-out Properties;
  - (ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to Unrated Take-out Properties;
  - (iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Unrated Take-out Properties and/or Take-out MTNs of all Unrated Series;
  - (iv) to pay any accrued and unpaid base Servicer, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to Unrated Take-out Properties;
  - (v) to repay/prepay Senior Take-out MTNs of the relevant Unrated Series up to the amount of Senior Take-out MTNs of the relevant Unrated Series issued to finance the acquisition of the said Property(ies) by order of maturity subject to clause REPAYMENT OF

SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES below;

- (vi) to pay the interest due under the Unrated Financing (if any);
- (vii) to pay the principal due under the Unrated Financing (if any);
- (viii) to repay/prepay Junior Take-out MTNs of the relevant Unrated Series on a pro-rata basis; and
- (ix) to repay/prepay Junior Take-out MTNs (that are not part of any Series) or to be utilized for the payment of additional coupon on Junior Take-out MTNs or payment of acquisition fee (if any) and/or disposal fee (if any) and/or disposal fee (if any) to the Asset Manager or such other party who provided the referral or related services for the acquisition/disposal.

For the avoidance of doubt, the Issuer shall be required to utilise proceeds from the completion of the disposal of such Properties (i.e. upon receipt of 100% of the sale consideration) for either (A) or (B) within 6 months (or such longer period agreed by the Trustee at the direction of an agreed majority of the senior-most class of Senior Take-out MTNs of the Unrated Category), failing which the Trustee shall automatically utilise the disposal proceeds in the Unrated Escrow Account in the manner specified in (B) above whereby the Trustee shall make payment upon written notice by the Calculation Agent.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Unrated Escrow Account shall be transferred to the Unrated Collection Account.

General

<sup>1</sup> Acquisition of such Take-out Properties shall comply with the relevant terms and conditions of the Securitisation Programme including (i) fulfilment of Eligibility Criteria; (ii) the relevant Property has not been vacant for a period of more than six (6) months in the preceding twelve (12) months period prior to the issuance of Senior Take-out MTNs OR the relevant Property is under a lease/tenancy agreement with a remaining tenancy/lease of at least twelve (12) months and (ii) on arm's length basis and on market terms.

Debt Service Reserve Accounts : Rated Debt Service Reserve Account

A bank account for meeting the debt service reserve requirement shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Rating Agency for the purpose of the Rated Category (the “**Rated Debt Service Reserve Account**”).

Sufficient proceeds from issuance of any MTNs under a Rated Series and from the Rated Collection Account shall be deposited into the Rated Debt Service Reserve Account and distributed in accordance with the provisions set out below. The Rated Debt Service Reserve Account will be a blocked account with the Trustee

as its sole signatory. Any amount standing to the credit of the Rated Debt Service Reserve Account which is not utilised in payment as provided herein shall be retained in the Rated Debt Service Reserve Account and may be invested in Permitted Investments.

The amount to be maintained in the Rated Debt Service Reserve Account (the “**Rated Target Level**”) shall be equivalent to not less than six (6) months coupon of all outstanding Senior Take-out MTNs of all Rated Series. In the event any of the following applies:

- (a) the debt service cover ratio (“**Rated DSCR**”) of the Issuer is less than two (2.0) times; or
- (b) the Rated Valuation Percentage is more than sixty percent (60%) whereby the Rated Valuation Percentage shall mean the following in relation to Rated Take-out Properties owned, leased, sub-leased and tenanted by the Issuer and financed by Take-out MTNs of all Rated Series:

$$\frac{\text{aggregate nominal value of the Senior Take-out MTNs of all Rated Series outstanding at such point in time}}{\text{aggregate market value of all Rated Take-out Properties}} \times 100\%$$

the Rated Target Level shall be increased to twelve (12) months coupon of all outstanding Senior Take-out MTNs of all Rated Series. If, however, (w) the Rated DSCR subsequently increases to two (2.0) times or more; and (x) the Rated Valuation Percentage subsequently falls to sixty percent (60%) or below, then the Rated Target Level shall revert to not less than six (6) months coupon of all outstanding Senior Take-out MTNs of all Rated Series.

Upon the occurrence of any one of the following events:

- (i) the monies in the Rated Debt Service Reserve Account is below the Rated Target Level; or
- (ii) the Rated DSCR is less than one point seven five (1.75) times,

no coupon payments may be made on Junior Take-out MTNs of all Rated Series. If, however, (y) the monies in the Rated Debt Service Reserve Account subsequently increases to or exceeds the Rated Target Level; and (z) the Rated DSCR is or exceeds one point seven five (1.75) times, then coupon payments may thereafter be made on Junior Take-out MTNs of all Rated Series.

Monies in excess of the Rated Target Level may be withdrawn from the Rated Debt Service Reserve Account and, at the option of the Issuer, be paid directly into the Rated Collection Account or be paid directly to the relevant payee in items (i) to (xiv) in the section of Rated Collections in the section application of proceeds: collection accounts.

Rated DSCR shall be calculated on each Coupon Payment Date and is defined as projected Lease/Rental income of all Rated Take-out Properties owned, leased, sub-leased and tenanted by the Issuer and financed by the Take-out MTNs of all Rated Series less operating expenses of the relevant Rated Take-out Properties over the coming twelve (12) months/coupon of all outstanding Senior Take-out

MTNs of all Rated Series payable over the coming twelve (12) months. Rated Valuation Percentage shall be calculated on each Coupon Payment Date based on latest available valuation reports (i.e. the full valuation report or the desktop valuation report, whichever more recent) by an independent valuer submitted to the Rating Agency and the Trustee.

#### Unrated Debt Service Reserve Account

A bank account for meeting the debt service reserve requirement shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee for the purpose of the Unrated Category (the “**Unrated Debt Service Reserve Account**”).

Sufficient proceeds from issuance of any MTNs under a Unrated Series and from the Unrated Collection Account shall be deposited into the Unrated Debt Service Reserve Account and distributed in accordance with the provisions set out below. The Unrated Debt Service Reserve Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Unrated Debt Service Reserve Account which is not utilised in payment as provided herein shall be retained in the Unrated Debt Service Reserve Account and may be invested in Permitted Investments.

The amount to be maintained in the Unrated Debt Service Reserve Account (the “**Unrated Target Level**”) shall be equivalent to not less than six (6) months coupon of all outstanding Senior Take-out MTNs of all Unrated Series. In the event any of the following applies:

- (a) the debt service cover ratio (“**Unrated DSCR**”) of the Issuer is less than two (2) times; or
- (b) the Unrated Valuation Percentage is more than sixty percent (60%) whereby the Unrated Valuation Percentage shall mean the following in relation to Unrated Take-out Properties owned, leased, sub-leased and tenanted by the Issuer and financed by Take-out MTNs of all Unrated Series:

$$\frac{\text{aggregate nominal value of the Senior Take-out MTNs of all Unrated Series outstanding at such point in time}}{\text{aggregate market value of all Unrated Take-out Properties}} \times 100\%$$

the Unrated Target Level shall be increased to twelve (12) months coupon of all outstanding Senior Take-out MTNs of all Unrated Series. If, however, (w) the Unrated DSCR subsequently increases to two (2.0) times or more; and (x) the Unrated Valuation Percentage subsequently falls to sixty percent (60%) or below, then the Unrated Target Level shall revert to not less than six (6) months coupon of all outstanding Senior Take-out MTNs of all Unrated Series.

Upon the occurrence of any one of the following events:

- (i) the monies in the Unrated Debt Service Reserve Account is below the



Unrated Target Level; or

- (ii) the Unrated DSCR is less than one point seven five (1.75) times, no coupon payments may be made on Junior Take-out MTNs of all Unrated Series. If, however, (y) the monies in the Unrated Debt Service Reserve Account subsequently increases to or exceeds the Unrated Target Level; and (z) the Unrated DSCR is or exceeds one point seven five (1.75) times, then coupon payments may thereafter be made on Junior Take-out MTNs of all Unrated Series.

Monies in excess of the Unrated Target Level may be withdrawn from the Unrated Debt Service Reserve Account and, at the option of the Issuer, be paid directly into the Unrated Collection Account or be paid directly to the relevant payee in items (i) to (xiv) in the section of Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS.

Unrated DSCR shall be calculated on each Coupon Payment Date and is defined as projected Lease/Rental income of all Unrated Take-out Properties owned, leased, sub-leased and tenanted by the Issuer and financed by Take-out MTNs of all Unrated Series less operating expenses of the relevant Unrated Take-out Properties over the coming twelve (12) months/coupon of all outstanding Senior Take-out MTNs of all Unrated Series payable over the coming twelve (12) months. Unrated Valuation Percentage shall be calculated on each Coupon Payment Date based on latest available valuation reports (i.e. the full valuation report or the desktop valuation report, whichever more recent) by an independent valuer submitted to the Trustee.

Application of Proceeds: Debt Service Reserve Account

: Rated Debt Service Reserve Account

In the event the amounts standing to the account of the Rated Collection Account are not sufficient to meet item (viii) under the section of Rated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS above, the amounts standing to the account of the Rated Debt Service Reserve Account will be available to the Issuer to satisfy such obligations.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Rated Debt Service Reserve Account shall be transferred to the Rated Collection Account.

Unrated Debt Service Reserve Account

In the event the amounts standing to the account of the Unrated Collection Account are not sufficient to meet item (viii) under the section of Unrated Collections in the section APPLICATION OF PROCEEDS: COLLECTION ACCOUNTS above, the amounts standing to the account of the Unrated Debt Service Reserve Account will be available to the Issuer to satisfy such obligations.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Unrated Debt Service Reserve Account shall be transferred to the Unrated Collection Account.

Disbursement Accounts

: Rated Disbursement Account

A bank account to hold proceeds from issuance of the Take-out MTNs of all

Rated Series shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Rating Agency (the “**Rated Disbursement Account**”).

#### Unrated Disbursement Account

A bank account to hold proceeds from issuance of the Take-out MTNs of all Unrated Series shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee (the “**Unrated Disbursement Account**”).

Application of  
Proceeds:  
Disbursement  
Accounts

#### Rated Disbursement Account

Proceeds from issuance of the Take-out MTNs of all Rated Series shall be deposited into the Rated Disbursement Account and distributed in accordance with the provisions set out below. The Rated Disbursement Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Rated Disbursement Account which is not utilised in payment as provided herein shall be either:

- (a) transferred to the Rated Collection Account upon expiry of a period to be determined in the relevant Transaction Document; or
- (b) retained in the Rated Disbursement Account and may be invested in Permitted Investments.

Funds in the Rated Disbursement Account shall be used towards the purpose of utilization of proceeds as set out in the section UTILISATION OF PROCEEDS.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Rated Disbursement Account shall be transferred to the Rated Collection Account.

#### Unrated Disbursement Account

Proceeds from issuance of the Take-out MTNs of all Unrated Series shall be deposited into the Unrated Disbursement Account and distributed in accordance with the provisions set out below. The Unrated Disbursement Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of the Unrated Disbursement Account which is not utilised in payment as provided herein shall be either:

- (a) transferred to the Unrated Collection Account upon expiry of a period to be determined in the relevant Transaction Document; or
- (b) retained in the Unrated Disbursement Account and may be invested in Permitted Investments.

Funds in the Unrated Disbursement Account shall be used towards the purpose of utilization of proceeds as set out in the section UTILISATION OF PROCEEDS.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Unrated Disbursement Account shall be transferred to the Unrated Collection Account.

Bridge Disbursement Account : A bank account to hold proceeds from issuance of the Bridge MTNs shall be opened and maintained by the Issuer with a Financial Institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other Financial Institution acceptable to the Trustee (the “**Bridge Disbursement Account**”).

Application of Proceeds: Bridge Disbursement Account : Proceeds from issuance of the Bridge MTNs shall be deposited into the Bridge Disbursement Account and distributed in accordance with the provisions set out below. The Bridge Disbursement Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of Bridge Disbursement Account which is not utilised in payment as provided herein shall be either:

- (a) transferred to the Bridge Collection Account upon expiry of a period to be determined in the relevant Transaction Document; or
- (b) retained in Bridge Disbursement Account and may be invested in Permitted Investments.

Funds in the Bridge Disbursement Account shall be used towards the purpose of utilization of proceeds as set out in the section UTILISATION OF PROCEEDS.

Notwithstanding the aforesaid, upon declaration of an Event of Default, all monies in the Bridge Disbursement Account shall be transferred to the Bridge Collection Account.

Bridge Collection Account : A bank account to hold collections derived from the Bridge Properties including security and rental deposits and insurance proceeds and any amounts received for the purpose of Termination Payments (as defined in the section UTILISATION OF PROCEEDS in relation to Bridge MTNs) (if any) shall be opened and maintained by the Issuer with a financial institution which carries a minimum credit rating of A+/MARC-1 by MARC and/or A1/P1 by RAM or any other financial institution acceptable to the Trustee (the “**Bridge Collection Account**”).

Proceeds derived from the Bridge Properties including security and rental deposits\* and insurance proceeds (if any) (the “**Bridge Collections**”) shall be deposited into the Bridge Collection Account and distributed in accordance with the provisions set out below. The Bridge Collection Account will be a blocked account with the Trustee as its sole signatory. Any amount standing to the credit of Bridge Collection Account which is not utilised in payment as provided herein shall be retained in Bridge Collection Account and may be invested in Permitted Investments.

\* In the event the security and rental deposits are deemed paid (whether in full or in part) to the Issuer by or on behalf of the vendor of the relevant Bridge Property

pursuant to any arrangement (including, without limitation, a set-off arrangement) agreed between the Issuer and such vendor), such portion of the issue proceeds from the relevant MTNs sufficient to fund/top up the Bridge Deposit Minimum Amount shall be deposited into the Bridge Collection Account.

The security and rental deposits portion in the Bridge Collection Account shall be available for utilisation in accordance with the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT subject to compliance of the following conditions:

- (a) The Bridge Deposit Minimum Amount is maintained at all times in the Bridge Collection Account (the “**Bridge Deposit Minimum Amount**”);
- (b) The issuance of a written undertaking from the Sponsor to the Trustee that it will ensure that the Bridge Deposit Minimum Amount shall be maintained at all times in the Bridge Collection Account and where required, to top up the security or rental deposit amount required to be refunded by the Issuer to the lessee or tenant pursuant to the terms of the relevant lease or tenancy agreement;
- (c) In the event the security and rental deposits are deemed refunded in full to the relevant tenant/lessee as a result of an arrangement or agreement entered into between the relevant tenant/lessee and the Issuer or forfeited, such security and rental deposits portion in the Bridge Collection Account, shall be available for utilisation in accordance with the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT; and
- (d) In the event the setting aside under item (viii) in accordance with the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT is no longer required due to a renewal of the relevant lease or tenancy agreement, such amount which has been set aside shall be available for utilisation in accordance with the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT.

(The funds available for utilisation in sub-paragraph (c) and (d) above shall be collectively, referred to as the “**Available Bridge Funds**”)

The Servicer shall notify the Trustee and the Sponsor in the event of any change in the Bridge Deposit Minimum Amount within 14 Business Days of such change. Any shortfall of the:

- (a) Bridge Deposit Minimum Amount in the Bridge Collection Account; or
- (b) security or rental deposit amount required to be refunded by the Issuer to the lessee or tenant pursuant to the terms of the relevant lease or tenancy agreement,

shall be topped up by the Sponsor into the Bridge Collection Account within 14 days after the Sponsor has been notified by the Servicer or the Trustee in writing of the shortfall.

- Application of Proceeds: Bridge Collection Account : For each quarterly calendar period commencing the first issuance date of the Bridge MTNs under the MTN Programme, the Calculation Agent will determine the Bridge Collections received from the Bridge Properties. The quarterly calendar period may be adjusted for it to be consistent with each coupon period. The Bridge Collections including the Available Bridge Funds (less the security and rental deposits up to the Bridge Deposit Minimum Amount) will be applied on each Coupon Payment Date (save for items (i) to (vi) (inclusive), item (ix) and item (x) which may be paid at any time during the year as and when they become due, item (vii) which shall be paid in accordance with such period as set out in the relevant Transaction Document and item (viii) which may be set aside within a period commencing six (6) months before the scheduled expiry of the lease or tenancy in relation to the relevant Bridge Property and to the extent of funds available) in the following priority and manner:
- i) to pay any taxes and government charges in relation to the Bridge Properties;
  - ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to the Bridge Properties;
  - iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Bridge Properties and/or Bridge MTNs;
  - iv) to pay any operating costs and expenses of the Issuer in relation to the Bridge Properties;
  - v) to pay any accrued and unpaid base Servicer, Property Manager (if applicable) and base Asset Manager fees, costs and expenses in relation to the Bridge Properties;
  - vi) to meet the cost and expenses in relation to the Bridge Properties, including building and maintenance, utilities, upgrading building works operating and capital expenditure, land rent, marketing and promotion expense and insurance expense;
  - vii) to pay any performance incentive fees to the Servicer and Asset Manager in relation to the Bridge Properties;
  - viii) to set aside an amount (net of the Bridge Deposit Minimum Amount in the Bridge Collection Account) sufficient to refund the security and rental deposit to the relevant tenant or lessee in relation to any relevant lease or tenancy of any Bridge Property which has a remaining tenure of 6 months prior to the scheduled expiry of such lease or tenancy; and
  - ix) to pay the interest due under the Bridge Financing (if any);
  - x) to pay the principal due under the Bridge Financing (if any);
  - xi) to repay principal on the relevant Bridge MTNs; and
  - xii) to pay Coupon and Performance Coupon (if any) on Bridge MTNs.

The security and rental deposits in the Bridge Collection Account shall be refunded to the relevant tenant or lessee in accordance with the terms and conditions of the lease or tenancy in relation to the relevant Bridge Property.

Any amount received for the purpose of Termination Payments in the Bridge Collection Account shall be channelled towards such purpose in accordance with the terms and conditions of the proposed acquisition of the relevant Bridge Property.

Application of Proceeds: Bridge Collection Account—Bridge Disposal Event

- : Following the declaration of a Bridge Disposal Event or arising from the Disposal of Properties or exercise of the Sponsor Call Option, the proceeds of such disposal of the Bridge Properties shall be deposited into the Bridge Collection Account and shall applied in the following priority and manner:
- i) to pay any taxes and government charges due in relation to the Bridge Properties;
  - ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to the Bridge Properties;
  - iii) to pay any accrued and unpaid fees, costs and expenses owing by the Issuer to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent and Calculation Agent in relation to Bridge Properties and/or Bridge MTNs;
  - iv) to pay any accrued and unpaid base Servicer Fee, cost and expenses in relation to the Bridge Properties;
  - v) to pay the interest due under the Bridge Financing (if any)
  - vi) to pay the principal due under the Bridge Financing (if any)
  - vii) to pay principal on Bridge MTNs;
  - viii) to pay Coupon and Performance Coupon (if any) on Bridge MTNs; and
  - ix) to pay disposal fee (if any) to the Asset Manager or such other party who provided the referral or related services for the disposal.

Permitted Investments

- : The funds standing to the credit of the Designated Accounts may be placed in permitted investments limited to the following (the “**Permitted Investments**”) for credit back to the respective accounts:
- i) Securities with a rating of AAA/P1 and/or AAA/MARC-1 or its equivalent by the Rating Agency;
  - ii) Securities issued or guaranteed by the Government of Malaysia or BNM;
  - iii) Accounts maintained with a financial institution with a minimum credit rating of A1/P1 and/or A+/MARC-1 by the Rating Agency;
  - iv) Money market instruments of a financial institution with a minimum credit rating of A1/P1 and/or A+/MARC-1 by the Rating Agency;
  - v) Guaranteed Investment Contract (“**GIC**”) Investments, being an investment account together with the reserve account, managed by the GIC Provider with a rating of at least AA2/P1 and/or AA/MARC-1 by the Rating Agency and if in any time the GIC Provider is not assigned a rating of at least AA2/P1 and/or AA/MARC-1 by the Rating Agency, the account will be named to an alternative bank with the required AA2/P1 and/or AA/MARC-1 rating by the Rating Agency;
  - vi) such other investments approved by the Trustee, provided that the Rating

Agency confirms that such investments do not adversely impact the then current rating of the Senior Take-out MTNs of the Rated Category, subject to:

- (1) the maturity of the Permitted Investments falling not less than 5 Business Days before the next Coupon Payment Date,
- (2) the Permitted Investment being denominated in Ringgit Malaysia,
- (3) the Permitted Investments in relation to items (ii) and (iv) shall account for at least 50% of the aggregate Permitted Investments, and
- (4) in relation to Permitted Investments which are private debt securities (“PDS”), this shall only be permitted if (a) the Issuer invests in at least five (5) PDS issued by five (5) different issuers respectively; or (b) the nominal amount of each PDS invested shall not exceed 10% of the aggregate Permitted Investments.

Application of Proceeds—Events of Default:

: Rated Collection Account

Upon the occurrence of an Event of Default, the amounts to the credit of the Rated Collection Account (save for security and rental deposits) shall be applied as follows:

- i) to pay any taxes and government charges due in relation to the Rated Take-out Properties;
- ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to the Rated Take-out Properties;
- iii) expected winding up cost of the Issuer;
- iv) to pay any accrued and unpaid Issuer fees, costs and expenses owing to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent save and except the Servicer and Asset Manager (base) in relation to the Rated Take-out Properties and/or Take-out MTNs of all Rated Series;
- v) to pay any accrued and unpaid base Servicer Fee, costs and expenses (save and except performance incentive fees) in relation to the Rated Take-out Properties;
- vi) to meet the accrued and unpaid expenses in relation to the Rated Take-out Properties which may include building and maintenance and utilities expenses.
- vii) to pay any accrued and unpaid Coupon on Class A Senior Take-out MTNs of all Rated Series;
- viii) to pay the principal outstanding on the Class A Senior Take-out MTNs of all Rated Series;

- ix) to pay any accrued and unpaid Coupon on Class B Senior Take-out MTNs of all Rated Series;
- x) to pay the principal outstanding on the Class B Senior Take-out MTNs of all Rated Series;
- xi) to pay any accrued and unpaid Coupon on Class C Senior Take-out MTNs of all Rated Series;
- xii) to pay the principal outstanding on the Class C Senior Take-out MTNs of all Rated Series;
- xiii) to pay any accrued and unpaid Coupon on Class D Senior Take-out MTNs of all Rated Series;
- xiv) to pay the principal outstanding on the Class D Senior Take-out MTNs of all Rated Series;
- xv) to pay any accrued and unpaid Coupon on Class E Senior Take-out MTNs of all Rated Series;
- xvi) to pay the principal outstanding on the Class E Senior Take-out MTNs of all Rated Series;
- xvii) to pay any accrued and unpaid Coupon on Class F Senior Take-out MTNs of all Rated Series;
- xviii) to pay the principal outstanding on the Class F Senior Take-out MTNs of all Rated Series;
- xix) to pay any accrued and unpaid Coupon on Class G Senior Take-out MTNs of all Rated Series;
- xx) to pay the principal outstanding on the Class G Senior Take-out MTNs of all Rated Series;
- xxi) to pay any accrued and unpaid interest under the Rated Financing (if any);
- xxii) to pay the principal outstanding on the Rated Financing (if any);
- xxiii) to pay the principal outstanding on the Junior Take-out MTNs of all Rated Series; and
- xxiv) to pay Coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Rated Series.

#### Unrated Collection Account

Upon the occurrence of an Event of Default, the amounts to the credit of the Unrated Collection Account (save for security and rental deposits) shall be applied as follows:



- i) to pay any taxes and government charges due in relation to the Unrated Take-out Properties;
- ii) to settle any payment obligations as a lessee, sub-lessee or tenant in relation to the Unrated Take-out Properties;
- iii) expected winding up cost of the Issuer;
- iv) to pay any accrued and unpaid Issuer fees, costs and expenses owing to service providers including payments to the Trustee, Administrator, Rating Agency, Facility Agent, Calculation Agent save and except the Servicer and Asset Manager (base) in relation to the Unrated Take-out Properties and/or Take-out MTNs of all Unrated Series;
- v) to pay any accrued and unpaid base Servicer Fee, costs and expenses (save and except performance incentive fees) in relation to the Unrated Take-out Properties;
- vi) to meet the accrued and unpaid expenses in relation to the Unrated Take-out Properties which may include building and maintenance and utilities expenses.
- vii) to pay any accrued and unpaid Coupon on Class A Senior Take-out MTNs of all Unrated Series;
- viii) to pay the principal outstanding on the Class A Senior Take-out MTNs of all Unrated Series;
- ix) to pay any accrued and unpaid Coupon on Class B Senior Take-out MTNs of all Unrated Series;
- x) to pay the principal outstanding on the Class B Senior Take-out MTNs of all Unrated Series;
- xi) to pay any accrued and unpaid Coupon on Class C Senior Take-out MTNs of all Unrated Series;
- xii) to pay the principal outstanding on the Class C Senior Take-out MTNs of all Unrated Series;
- xiii) to pay any accrued and unpaid Coupon on Class D Senior Take-out MTNs of all Unrated Series;
- xiv) to pay the principal outstanding on the Class D Senior Take-out MTNs of all Unrated Series;
- xv) to pay any accrued and unpaid Coupon on Class E Senior Take-out MTNs of all Unrated Series;
- xvi) to pay the principal outstanding on the Class E Senior Take-out MTNs of all Unrated Series;

- xvii) to pay any accrued and unpaid Coupon on Class F Senior Take-out MTNs of all Unrated Series;
- xviii) to pay the principal outstanding on the Class F Senior Take-out MTNs of all Unrated Series;
- xix) to pay any accrued and unpaid Coupon on Class G Senior Take-out MTNs of all Unrated Series;
- xx) to pay the principal outstanding on the Class G Senior Take-out MTNs of all Unrated Series;
- xxi) to pay any accrued and unpaid interest under the Unrated Financing (if any);
- xxii) to pay the principal outstanding on the Unrated Financing (if any);
- xxiii) to pay the principal outstanding on the Junior Take-out MTNs of all Unrated Series; and
- xxiv) to pay Coupon and Performance Coupon (if any) on Junior Take-out MTNs of all Unrated Series.

## **The Properties**

- Eligibility Criteria** : The Properties to be purchased by the Issuer shall meet certain criteria including the following:
- i) the Property is a commercial and/or industrial warehouse and/or logistics property;
  - ii) in the event an individual issue document of title has been issued, the originator is the legal and beneficial owner of the Property or in the event no individual issue document of title has been issued, the originator is the beneficial owner of the Property;
  - iii) in the event the Originator is not the legal and/or beneficial owner of the Property, the interest of the originator in the Property is as a:
    - (1) contractual lessee or sub-lessee under an existing lease or sub-lease which is registered with the relevant land authority and has a remaining lease period of more than fifteen (15) years; or
    - (2) a tenant under an existing tenancy.

For the avoidance of doubt, in the event the Originator is a tenant under an existing tenancy, such Property shall not be subject to the criteria set out under ii) and iii)(1) above.
- Legal transfer of title** : In the event an individual issue document of title has been issued to the Property and the Originator is the legal and beneficial owner of the Property, the title shall be transferred to and registered in the name of the Issuer. In the event no individual issue document of title has been issued to the Property and the Originator is the beneficial owner of the Property, all rights, title and interest of the originator to the Property shall be assigned absolutely to the Issuer by way of a legal assignment.
- Existing leases/tenancies** : In relation to the Properties where the Originator is the legal and/or beneficial owner, all rights, title and interest of the originator to the existing tenancies

and/or leases including as landlord or lessor shall be transferred by way of a novation agreement to the name of the Issuer or assigned absolutely to the Issuer by way of an assignment. In relation to the Properties where the interest of the Originator is as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy, all rights, title and interest of the Originator to such lease, sub-lease or tenancy including as lessee, sub-lessee or tenant shall be transferred to and registered in the name of the Issuer or assigned absolutely to the Issuer by way of an assignment.

### **Disposal of Properties and Call Option**

Disposal of Properties : Rated Take Out Properties of all Rated Series:

The Issuer shall have the right, at any time, to dispose of any of the Rated Take-out Properties of all Rated Series under the transaction, as advised by the Asset Manager subject to (A) receipt of Noteholders' approval from the then senior-most class of Take-out MTNs then outstanding of the Rated Category (any Senior Take-out MTNs of any Rated Series held by Sponsor Group Entities shall not be counted for voting in event of conflict of interest with other Senior Take-out MTNs Noteholders who are not within the Sponsor Group Entities) by a special resolution of the said Noteholders for such disposal subject to conditions which may be imposed by the said Noteholders; or (B) the following conditions:

- i) In any given calendar year, the value of such disposals shall not exceed 15% of the aggregate value of the portfolio of Rated Take-out Properties of all Rated Series at the beginning of the year, based on latest available valuation reports provided to the Rating Agency as at the beginning of the year;
- ii) Notification shall be provided to the Trustee and the Rating Agency following the execution of the Sale and Purchase Agreement pursuant to any such disposal of the Rated Take-out Properties of all Rated Series;
- iii) A valuation of the relevant Rated Take-out Property the subject of such disposal must be conducted prior to the disposal;
- iv) The disposal price of the Rated Take-out Properties of all Rated Series (or any combination of Properties to be disposed) must be greater than or equivalent to the initial purchase price of the asset or if such disposal price is less than the initial purchase price of the asset, the net proceeds of such disposal must be sufficient to cover items (B)(i) to (v) under the section APPLICATION OF PROCEEDS: ESCROW ACCOUNTS – DISPOSAL OF PROPERTIES – RATED ESCROW ACCOUNT; and
- v) There shall be no diminution in aggregate value of the remaining Rated Take-out Properties of all Rated Series subsequent to such disposal. Diminution in aggregate value of the remaining Rated Take-out Properties of all Rated Series shall have occurred if the aggregate value of the remaining Rated Take-out Properties of all Rated Series, based on the latest available valuation reports, is lower than the aggregate of initial acquisition price of the same properties.

Disposal of Rated Take-out Properties of all Rated Series greater than 15% p.a. shall be permitted subject to above conditions (ii) to (v) as well as receipt of the Rating Agency's affirmation that such disposal shall not adversely impact the rating of any then outstanding Senior Take-out MTNs of all Rated Series.

Unrated Take Out Properties of all Unrated Series:

The Issuer shall have the right, at any time, to dispose of any of the Unrated Take-out Properties of all Unrated Series under the transaction, as advised by the Asset Manager subject to (A) receipt of Noteholders' approval from the then senior-most class of Take-out MTNs then outstanding of the Unrated Category (any Senior Take-out MTNs of any Unrated Series held by Sponsor Group Entities shall not be counted for voting in event of conflict of interest with other Senior Take-out MTNs Noteholders who are not within the Sponsor Group Entities) by a special resolution of the said Noteholders for such disposal subject to conditions which may be imposed by the said Noteholders; or (B) the following conditions:

- i) In any given calendar year, the value of such disposals shall not exceed 15% of the aggregate value of the portfolio of Unrated Take-out Properties of all Unrated Series at the beginning of the year, based on latest available valuation reports;
- ii) Notification shall be provided to the Trustee following the execution of the Sale and Purchase Agreement pursuant to any such disposal of the Unrated Take-out Properties of all Unrated Series;
- iii) A valuation of the relevant Unrated Take-out Property the subject of such disposal must be conducted prior to the disposal;
- iv) The disposal price of the Unrated Take-out Properties of all Unrated Series (or any combination of Properties to be disposed) must be greater than or equivalent to the initial purchase price of the asset or if such disposal price is less than the initial purchase price of the asset, the net proceeds of such disposal must be sufficient to cover items (B)(i) to (v) under the APPLICATION OF PROCEEDS: ESCROW ACCOUNTS – DISPOSAL OF PROPERTIES – UNRATED ESCROW ACCOUNT; and
- v) There shall be no diminution in aggregate value of the remaining Unrated Take-out Properties of all Unrated Series subsequent to such disposal. Diminution in aggregate value of the remaining Unrated Take-out Properties of all Unrated Series shall have occurred if the aggregate value of the remaining Unrated Take-out Properties of all Unrated Series, based on the latest available valuation reports, is lower than the aggregate of initial acquisition price of the same properties.

Bridge Properties:

The Issuer shall not be permitted to dispose of any of the Bridge Properties under the transaction save for the following circumstances:

- i) Where there is a re-zoning of the area where the particular Bridge Property is located;
- ii) Where the transfer of the particular Bridge Property's titles cannot be completed;
- iii) Where the lease agreements for the particular Bridge Property has a buy-back option;
- iv) Does not meet the Eligibility Criteria of Properties as stated in the section entitled Eligibility Criteria under the section of The Properties above;
- v) As required by law or any regulatory authority;
- vi) Disposal of Bridge Properties to the Sponsor or an Originator; and
- vii) Disposal of Bridge Properties to any third party as may be approved by the Bridge MTNs Noteholders.

For avoidance of doubt, disposal of Take-out Properties or Bridge Properties will be carried out based on fair valuation basis.

Disposal proceeds from the Bridge Properties shall be remitted into the Bridge Collection Account and shall be utilised in accordance with APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT – BRIDGE DISPOSAL EVENT.

Sponsor Call Option over Properties : The Sponsor Call Option over the Properties shall be granted by the Issuer in favour of the Sponsor and exercisable at any time from the date of first issuance of MTNs under the MTN Programme.

The subject matter for the Sponsor Call Option shall be the Properties.

The Sponsor Call Option Period shall commence from the date the Sponsor Call Option is granted (but which shall only be exercisable after the first issue of MTNs under the MTN Programme) and expiring on the earlier of the following:

- a) On the expiry of the MTN Programme;
- b) On satisfaction in full of all MTNs under the MTN Programme and subject to there not being allowed any further issue of MTNs under the MTN Programme.

For avoidance of doubt, the Sponsor Call Option shall be exercisable notwithstanding an Early Disposal Event has occurred.

Upon the exercise of the Sponsor Call Option, the Availability Period of the MTN Programme shall be cancelled and MTNs shall be prepaid in accordance with REPAYMENT OF SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES below on the next Coupon Payment Date following completion of the Sponsor Call Option.

For avoidance of doubt, upon the Issuer's receipt of proceeds from the exercise of the Sponsor Call Option, the Issuer shall utilise such proceeds in the manner specified in the section APPLICATION OF PROCEEDS: ESCROW ACCOUNTS—EARLY DISPOSAL EVENTS in relation to the Take-out Properties subject to any adjustments to principal redemption of the Take-out MTNs in accordance with the section REPAYMENT OF SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES below, and the section APPLICATION OF PROCEEDS: BRIDGE COLLECTION ACCOUNT—BRIDGE DISPOSAL EVENT in relation to the Bridge Properties.

After the proceeds have been applied in the manners above, the net amounts will be distributed to the holders of the Junior Take-out MTNs.

**Sponsor Call Option price** : The Sponsor Call Option price shall be the higher of (i) fair market value; or (ii) an amount sufficient to meet the Issuer's obligations to meet items (i) to (vi) of the section - APPLICATION OF PROCEEDS: ESCROW ACCOUNTS—EARLY DISPOSAL EVENTS in relation to the Take-out Properties subject to any adjustments to principal redemption of the Take-out MTNs in accordance with the section REPAYMENT OF SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES below.

**Repayment of Senior Take-out MTNs—Sponsor Call Option and Disposal of Properties** : The amount payable on redemption of Senior Take-out MTNs pursuant to (i) Disposal of Properties or (ii) exercise of the Sponsor Call Option shall be governed by the following formula:

Early Redemption Formula:

The amount to be paid by the Issuer in redeeming the Senior Take-out MTNs shall be given by the following formula :

$$\text{Amount payable} = \frac{(\text{PB} \times \text{ERP})}{100}$$

where:

PB = aggregate nominal value of Senior Take-out MTNs to be redeemed.

ERP = redemption amount per RM100 of the nominal value of Senior Take-out to be redeemed (rounded to the nearest 5 decimal places) subject to a minimum of RM100 calculated based on the formula set out below.

$$\text{ERP} = \left( \frac{100}{\left[ 1 + (\text{YTM}/4) \right]^{(N \times T)}} \right) + \left( \sum_{k=1}^N \frac{\left[ 100 \times (\text{Coupon}/4) \right]}{\left[ 1 + (\text{YTM}/4) \right]^{(k \times T)}} \right)$$

For the purposes of calculating the ERP, the following variables are used:

- (i) Coupon = the Coupon Rate;
- (ii) YTM = the lower of (a) the Coupon Rate applicable to the relevant

Class and Series of Senior Take-out MTN or (b) the yield to maturity of Reference Malaysian Government Securities plus a spread of 25 basis points.

Reference Malaysian Government Securities shall be Malaysian Government Securities for tenures which are equal to the remaining tenure of the MTN being redeemed and shall be determined from:

(a) the latest Consolidated Government Securities Rates published by BNM daily, two (2) Business Days prior to the date of issue of the notice of redemption;

or, if that published rate is unavailable:

(b) the arithmetic average of the mid-rates quoted by any five (5) Principal Dealers (being dealers in securities as appointed by BNM from time to time to bid at primary issues of Malaysian Government Securities), one (1) Business Day prior to the date of issue of the notice of redemption.

(iii) In the case where the rate for a particular tenure is not available directly, then such a rate shall be extrapolated on a linear basis using the available arithmetic average mid-rates, provided that if the tenure of the MTN is not an integer, the Reference Malaysian Government Securities shall be the arithmetic mean of the rates of the two (2) nearest tenures derived from (a) or (b) above.

(iv)  $N$  = number of interest payments to be made between Expected Maturity Date and the date of redemption, inclusive of both the Expected Maturity Date and the date of redemption.

## **Fees**

Fees Payable by the Issuer : The fees payable are essentially to the Lead Arranger, the Facility Agent, the Rating Agency, the Central Securities Depository, the Trustee, the Servicer, the Asset Manager, the Calculation Agent, the Shares Trustee, the Administrator and the legal counsel, tax advisers and auditors of the Issuer, which are based on arm's length terms.

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## SECTION 2.0: RISK FACTORS

*The following is a summary of certain aspects of the issue of Unrated Take-out MTNs which come under the Unrated Category, about which prospective investors should be aware. The Take-out MTNs 2019-A(U) are Unrated Take-out MTNs. However this summary is not intended to be exhaustive and prospective investors should read the detailed information set out elsewhere in this Information Memorandum. Prior to making an investment decision, prospective investors should carefully consider amongst other things, the risk factors set out below.*

### **Risks Relating to the Unrated Take-out Properties**

#### *Valuation of the Unrated Take-out Properties*

The value of the Unrated Take-out Properties is based on valuation reports prepared by independent valuers prior to the Issue Date. There can be no assurance that (a) the property prices in Malaysia will not fall; or that (b) the market value of the Unrated Take-out Properties will not fall below the valuation price stated in the valuation reports; or that (c) the valuations of the Unrated Take-out Properties will reflect actual sale process even where any such sales occur shortly after the relevant valuation date. As the market value of the Unrated Take-out Properties is subject to factors affecting the real property market including but not limited to changes in the domestic and international economic conditions, demographic and social conditions, location of the property, changes in governmental rules and regulations, the supply and demand for commercial properties, interest rates, inflation and market competitiveness may fluctuate, there can be no assurance that the market value of the Unrated Take-out Properties will remain equal to or greater than the amounts outstanding under the Unrated Take-out MTNs.

If the whole or any part of the Unrated Take-out Properties is sold following an Early Disposal Event, Event of Default or pursuant to the Sponsor Call Option during the Sponsor Call Option Period, there are uncertainties in relation to the amount of realisations from the disposal of the Unrated Take-out Properties and there is no assurance that the proceeds of such sale will be sufficient to pay in full all amounts outstanding under the Unrated Take-out MTNs. In the event of an adverse market, not only the market value of the Unrated Take-out Properties may be adversely affected, there may also be a delay in disposing the Unrated Take-out Properties and no assurances can be given that the Issuer is able to dispose the Unrated Take-out Properties when it wishes to do so. Although the Sponsor Call Option price under the Sponsor Call Option shall be the higher of (a) the then fair market value of the Unrated Take-out Properties; and (b) an amount sufficient to meet the Issuer's obligations to meet items (i) to (vi) of the section APPLICATION OF PROCEEDS: ESCROW ACCOUNTS—EARLY DISPOSAL EVENTS in relation to the Take-out Properties subject to any adjustments to principal redemption of the Take-out MTNs in accordance with the section REPAYMENT OF SENIOR TAKE-OUT MTNS—SPONSOR CALL OPTION AND DISPOSAL OF PROPERTIES, there is no assurance that the Sponsor will exercise the Sponsor Call Option.

Similarly, a failure to maintain the Unrated Take-out Properties and carry out capital expenditure to preserve the rental value of the Unrated Take-out Properties may result in the liquidation or refinancing value of the Unrated Take-out Properties being less than the amount necessary to repay the Unrated Take-out MTNs in full and consequently the holders of the Unrated Take-out MTNs, or the holders of a certain class of Unrated Take-out MTNs, may receive by way of principal repayment an amount less than the nominal value of the Unrated Take-out MTNs and the Issuer may also be unable to pay in full the coupon due on the Unrated Take-out MTNs or a certain class of the Unrated Take-out MTNs.



### *Property Management*

The net cashflow realised from and/or the residual value of the Unrated Take-out Properties may be affected by property management decisions. The Asset Manager has wide discretions, in particular the Asset Manager is (subject to certain conditions) responsible for identifying asset acquisition opportunities and asset disposal opportunities in relation to the Unrated Take-out Properties and in the event of a disposal or sale of a Property pursuant to the terms of the Trust Deed (save and except pursuant to a Sponsor Call Option), for negotiating the terms of the sale of such Property. While the Asset Manager is experienced in such matters in relation to the Unrated Take-out Properties, there can be no assurance that the decisions taken by the Asset Manager will not adversely affect the value and/or cashflow of the Unrated Take-out Properties.

### *Illiquidity of Property Investment*

Due to the general illiquid nature of property investment, it may be difficult for a property owner to convert real estate assets into cash at a short notice. Furthermore, in order to dispose a property quickly, the owner may be required to take a substantial reduction in the property's value. Accordingly, there can be no assurance that any or all of the Unrated Take-out Properties could be disposed of for consideration at or near the values set forth in the valuation report prepared by the independent valuer.

### *True Sale of the Properties*

The transfers of the Properties from the Originators to the Issuer had been structured to comply with the true sale criteria under the relevant guidelines of the SC so that the transfers were deemed as true sales rather than secured borrowings. Legal counsel to the Lead Arranger had issued opinions to the effect that the transfers of the Properties would constitute true sales rather than the grant of security interest. These opinions are subject to certain assumptions. However, there will not be any true sale opinion to be issued for the Take-out MTNs 2019-A(U) as the relevant Properties are already transferred to the Issuer and charged to the Trustee.

There can be no assurance that any or all of these assumptions will prove or continue to be correct. If any of the assumptions proves to be incorrect, the transfers of the Properties by the Originators to the Issuer may be set aside or voided under Malaysian law. In such a situation, the Issuer will have no ownership interest in the Properties. The lack of an ownership interest in the Unrated Take-out Properties would materially and adversely affect the Issuer's ability to pay interest and principal on the Unrated Take-out MTNs as the Issuer has no significant assets for the purpose of the Unrated Take-out MTNs other than the Unrated Take-out Properties and monies in the Unrated Take-out Designated Accounts.

### *Originator's Representations and Warranties*

Under the relevant Sale and Purchase Agreements, the relevant Originators had made certain warranties in respect of the Unrated Take-out Properties. If any of such warranties were untrue or incorrect, the cash flow derived from the Unrated Take-out Properties could be adversely affected, which in turn would adversely affect the ability of the Issuer to make interest and principal payments under the Unrated Take-out MTNs. However, in respect of Take-out MTNs 2019-A(U), there are no Originators as the Properties under Take-out MTNs 2019-A(U) are already registered in the name of the Issuer and have been charged to the Trustee pursuant to previous issuances of Bridge MTNs.

### *Adequacy of Insurance*

The buildings on the Unrated Take-out Properties are insured with insurances against fire. The warehouses and factories may suffer losses due to risks which may be uninsurable or not economically insurable or are not covered by the policies or for which insurance is inadequate.

If an uninsured or uninsurable loss were to occur, the tenants/lessees might not have sufficient funds to pay the relevant rentals. The risk is however mitigated by the fact that the Issuer will be insured under a consequential loss policy in relation to the Unrated Take-out Properties against losses arising directly out of the interruption of or interference with trading or business as a result of fire and perils loss or damage covered under the fire policy.

The Issuer's ownership of the Unrated Take-out Properties is subject to litigation risk typically associated with investments in real properties. Third party claims or litigation relating to personal injury or other damages resulting from contact with or use of the Unrated Take-out Properties may be made against the Issuer as owner of the Unrated Take-out Properties. The risk is however mitigated by the fact that the Issuer will be insured under a public liability policy in respect of any liability to pay compensation / claimant cost / expenses in respect of:

- (a) accidental bodily injury to or illness or death of a third party; or
- (b) accidental loss of or damage to third party property

caused on or about the Unrated Take-out Properties by the fault or negligence of the Issuer or any person in the Issuer's services whilst engaged in the Issuer's trade or business works, machinery or plant of the Issuer, connected with the business or trade of the Issuer.

#### *Compulsory Land Acquisition*

The Unrated Take-out Properties may be subject to a compulsory land acquisition by the Government. If a compulsory land acquisition is made in respect of any or all of the Unrated Take-out Properties, compensation would be payable to the Issuer. However, there can be no assurance that the amount of such compensation would be equal to the market value of the relevant Unrated Take-out Properties or sufficient to redeem the Unrated Take-out MTNs in full. In addition there may be a delay between the completion of the compulsory land acquisition of a Property and the date of payment of the compensation. Any such delay, or a payment of compensation which is lower than the value of the relevant Unrated Take-out Properties, may have an adverse impact on the ability of the Issuer to meet its obligation to make payments under the Unrated Take-out MTNs.

#### *No Independent Investigations*

None of the Issuer, the Lead Arranger, the Lead Manager, the Trustee nor any agent, adviser or affiliate thereof, has undertaken or will undertake any investigations or other actions to make inquiries in respect of any of the Unrated Take-out Properties or whether default is reasonably likely to occur in respect of any of the tenancy/lease agreements in relation to the Unrated Take-out Properties. None of such parties makes any representation or warranty in relation to the creditworthiness of any of the Unrated Take-out MTNs or whether default is reasonably likely to occur in respect of any of the tenancy/lease agreements in relation to the Unrated Take-out Properties.

#### *Timely Receipt of Rental Income*

The Issuer's ability to make payments on the Unrated Take-out MTNs is dependent upon the timely receipt of income generated by the Unrated Take-out Properties, which comprises mainly the rental income from the tenants/lessees. Any delay in the receipt of income by the Issuer may affect the ability of the Issuer in servicing its debt obligations.

#### *Risk of Non-renewal of Expiring Tenancies/Leases*

The tenancy/lease terms for the various tenancies/leases in relation to the Refinanced Properties are stated in section 8.1 of this Information Memorandum. As such, it makes the Refinanced Properties susceptible to

rental market fluctuation which may lead to vacancies if the tenancies/leases are not renewed or replaced on a timely basis.

#### *Business Risk*

Generally, the principal activities of the tenants/lessee of Properties owned, leased, sub-leased or tenanted by the Issuer are in the logistics services which include transportation, customs forwarding, warehousing (general and bonded), procurement of materials on behalf of customers, information technology solutions, warehouse management systems, courier services, heavy cargo transportation and property letting.

For the Refinanced Properties, the tenants are generally in the logistics and warehousing industry. The tenants'/lessee's businesses are highly dependent on the sustainability and the growth of the domestic economy and in particular, the inflation and interest rate environment.

In the event that the sustainability and the growth of the domestic economy is affected by the inflation and interest rate environment, there is no assurance that the slowdown in the domestic economy would not have a material adverse effect on the businesses of the tenants/lessees, even if the tenants/lessees are able to take measures to consolidate their business activities such as cost reduction measures.

#### *Sale of Unrated Take-out Properties*

In the event the Trustee initiates proceedings to sell the Unrated Take-out Properties to third parties, the potential purchasers and/or their financiers may require an undertaking to refund monies in the event that the transfers cannot be perfected. The Trustee may not be willing to provide such an undertaking and this may affect the potential purchaser's decision to purchase the Unrated Take-out Properties.

#### *Unrated Take-out Properties may be subject to increases in property expenses*

The Issuer's ability to make payments on the Unrated Take-out MTNs could be adversely affected if property expenses such as property taxes and other operating expenses increase without a corresponding increase in revenue. Factors which could increase property expenses include:

- (a) Increase in property tax assessments and other statutory charges;
- (b) Change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies; and
- (c) Increase in sub-contracted service costs.

### **Risks Relating to the Servicer**

#### *Servicing Risk*

Pursuant to the Servicing Agreement, the Servicer is required to provide, inter alia, administration, collection and other services in relation to the Unrated Collections. Failure by the Servicer to perform or observe any of the covenants and obligations under the Servicing Agreement may constitute a Servicer Event of Default upon which the appointment of the Servicer may be terminated and a substitute servicer may be appointed. A suitable substitute servicer with the necessary experience may not be readily available. Further, a change in servicer could cause delays in the collection of the Unrated Collections, which may result in delays in payment under the Unrated Take-out MTNs. The ability and speed of any replacement servicer to perform the same services would depend, among other things, on the information and records then available to it and the compatibility of its information systems with that of the Servicer.

### *Dependence on Key Personnel*

The ability of the Servicer to carry out its duties and responsibilities under the Servicing Agreement will depend, to a significant extent, upon the abilities and continued efforts of the existing key management of the Servicer. The loss of any key personnel of the Servicer could affect the Servicer's continued ability to carry out its duties and responsibilities under the Servicing Agreement.

### **Risks Relating to the Unrated Take-out MTNs**

#### *Each Class of Unrated Take-out MTNs Carries Different Risks*

Each class of the Unrated Take-out MTNs will carry different risks and all prospective Investors are strongly encouraged to evaluate each class of Unrated Take-out MTNs on its own merit.

Class A MTNs will rank senior to the Class B MTNs, Class C MTNs, Class D MTNs, Class E MTNs, Class F MTNs, Class G MTNs and Junior Take-out MTNs.

Class B MTNs will rank senior to the Class C MTNs, Class D MTNs, Class E MTNs, Class F MTNs, Class G MTNs and Junior Take-out MTNs and will be subordinate to Class A MTNs.

Class C MTNs will rank senior to Class D MTNs, Class E MTNs, Class F MTNs, Class G MTNs and Junior Take-out MTNs and will be subordinate to Class A MTNs and Class B MTNs.

Class D MTNs will rank senior to Class E MTNs, Class F MTNs, Class G MTNs and Junior Take-out MTNs and will be subordinate to Class A MTNs, Class B MTNs and Class C MTNs.

Class E MTNs will rank senior to Class F MTNs, Class G MTNs and Junior Take-out MTNs and will be subordinate to Class A MTNs, Class B MTNs, Class C MTNs and Class D MTNs.

Class F MTNs will rank senior to Class G MTNs and Junior Take-out MTNs and will be subordinate to Class A MTNs, Class B MTNs, Class C MTNs, Class D MTNs and Class E MTNs.

Class G MTNs will rank senior to Junior Take-out MTNs and will be subordinate to Class A MTNs, Class B MTNs, Class C MTNs, Class D MTNs, Class E MTNs and Class F MTNs.

The Junior Take-out MTNs will be subordinated to Class A MTNs, Class B MTNs, Class C MTNs, Class D MTNs, Class E MTNs, Class F MTNs and Class G MTNs.

#### *Rating of the Unrated Take-out MTNs*

The Unrated Take-out MTNs are not rated but they are tradeable and transferable subject to the relevant Selling Restrictions.

#### *Liability under the Unrated Take-out MTNs*

The Unrated Take-out MTNs will be limited recourse obligations solely of the Issuer. In particular, the Unrated Take-out MTNs will not be obligations or responsibilities of, or guaranteed by the Originators, the Servicer, the Sponsor, the Lead Arranger, the Trustee, the Administrator, the Asset Manager, any affiliate thereof nor the directors and shareholders of the Issuer, and any other person involved or interested in the

transactions envisaged in the Transaction Documents. None of such persons will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amount due under the Unrated Take-out MTNs.

#### *Issuer's Ability to meet its Obligations under the Unrated Take-out MTNs*

The Issuer will not as of the Issue Date have any significant assets for the purposes of meeting its obligations under the transaction other than the Unrated Take-out Properties and the moneys in the Unrated Take-out Designated Accounts.

The ability of the Issuer to meet its obligations in respect of the Unrated Take-out MTNs will be dependent on the extent of (i) the revenues arising out of collection from the tenancy/lease agreements in relation to the Unrated Take-out Properties and the sale of the Unrated Take-out Properties; and (ii) the due performance by the other parties to the Transaction Documents of their respective obligations thereunder, including the performance by the Originators, the Servicer, the Sponsor, the Trustee, the Asset Manager and the Administrator, of their respective obligations. There is no assurance that the tenants/lessees will be able to meet their respective payment obligations in accordance with the tenancy and lease agreements and no guarantee that the collections derived from the Property and the sale proceeds from the sale of the Property will be timely or sufficient to ensure payment when due, or at all, of all interest and principal under the Unrated Take-out MTNs.

#### *Withholding Tax under the Unrated Take-out MTNs*

In the event that withholding taxes are imposed in respect of payments to Noteholders of amounts due under the Unrated Take-out MTNs, the Issuer is not obliged to gross-up or otherwise compensate the Noteholders for the lesser amounts the Noteholders may receive as a result of the imposition of withholding taxes.

#### *Change of Law*

The structure of the transaction and, *inter alia*, the issue of the Unrated Take-out MTNs are based on Malaysian law, tax and administrative practice in effect as at the date hereof and having due regard to the expected tax treatment of all relevant statutes under such law and practice. No assurance can be given that Malaysian law, tax or administrative practice will not change after the Issue Date or that such change will not adversely impact the structure of the transaction and the treatment of the Unrated Take-out MTNs.

#### *Priority of Payment*

The primary source of the interest and principal payments on the Unrated Take-out MTNs will be derived from collections from the tenancy/lease agreements in relation to the Unrated Take-out Properties and the sale of the Unrated Take-out Properties. All payments on the Unrated Take-out MTNs will rank behind the payment of taxes, government charges, fees and expenses incurred by the Issuer and other operating expenses. There is no guarantee that the collections from the tenancy/lease agreements in relation to the Unrated Take-out Properties and the sale of the Unrated Take-out Properties will be timely or sufficient to ensure payment when due, or at all, of interest and principal under the Unrated Take-out MTNs.

#### *Event of Default*

Where an Event of Default occurs in relation to the Unrated Take-out MTNs, only the holders of the senior-most class of MTNs then outstanding of the Unrated Category may direct the Trustee to enforce the Trust Deed. The other Noteholders of the Unrated Category may not direct the Trustee to enforce the Trust Deed if the holders of the senior-most class of MTNs then outstanding of the Unrated Category do not resolve to do so. Any action taken by the holders of the senior-most class of MTNs then outstanding of the Unrated Category shall bind the holders of all MTNs of the Unrated Category.

### *Redemption Considerations*

Under certain circumstances, the Unrated Take-out MTNs may be subject to early redemption. The Unrated Take-out MTNs may be subjected to early redemption pursuant to (i) Disposal of Unrated Properties or (ii) exercise of the Sponsor Call Option.

### *Secondary Market*

The Unrated Take-out MTNs will not be listed on the Bursa Malaysia Securities Berhad or any other stock exchange, but will be traded under RENTAS and there are Selling Restrictions governing the Unrated Take-out MTNs as described under the section SELLING RESTRICTIONS. There can be no assurance that a secondary market for the Unrated Take-out MTNs will develop or, if it does develop, that it will provide the holders of the Unrated Take-out MTNs with liquidity of investment or that such market or any liquidity of investment which may exist or develop will continue for the life of the Unrated Take-out MTNs.

### *Interest Rate Risk*

Political, economic and other events may affect the interest rate environment in the Malaysian bond market which in turn will have a direct effect on the pricing of the Unrated Take-out MTNs offered to the investors.

### *No recourse to the Originator or the Sponsor*

The Noteholders will have no recourse to the Originator (save and except for any breach of obligations or misrepresentation under the Sale and Purchase Agreements) or the Sponsor (save and except under the Sponsor Indemnity, the Sponsor Deposits Undertaking and the Sponsor Junior Take-out MTNs Undertaking). Payment of coupon and redemption of the Unrated Take-out MTNs will be the sole and primary obligation of the Issuer. In particular, the Unrated Take-out MTNs will not be the obligations or responsibilities of, or guaranteed by the Originator, the Sponsor or any person involved or interested in the transactions envisaged in the Transaction Documents and/or the Issue Documents. None of such persons will accept any liability whatsoever to the holders of the Unrated Take-out MTNs in respect of any failure by the Issuer to pay any amount due under the Unrated Take-out MTNs. Further, the Issuer, as a special purpose company, has no significant assets other than the Properties and moneys in the Bridge Designated Accounts, the Rated Take-out Designated Accounts and the Unrated Take-out Designated Accounts.

### *Voting Rights of the Noteholders*

Under the terms of the Unrated Take-out MTNs, certain matters can only be decided and voted by the holders of the senior-most class of MTNs then outstanding of the Unrated Category such as directing the Trustee to enforce the Unrated Category Security. Any action taken by the holders of the senior-most class of MTNs then outstanding of the Unrated Category shall bind the holders of all MTNs of the Unrated Category. This means that the holders of the other classes of the Unrated Category which are subordinated to a senior class of MTNs then outstanding of the Unrated Category would only be entitled to decide and vote on such matters if such senior class of the Unrated Category has been redeemed in full.

## **General**

### *Forward Looking Statements*

Certain information in this Information Memorandum is based on the historical past of the Properties and may not be reflective of future results. Whilst the interpretation of this information may be forward-looking, the contingencies and inherent uncertainties underlying such information should be carefully considered by prospective investors and the Lead Manager should not be regarded as a representation or assurance by the Sponsor, Issuer, the Lead Manager and/or the Lead Arranger that the objectives and the future plans of the Sponsor and Issuer will be achieved. Any differences in the expectations of the performance of the

Properties from their actual performances may result in the Issuer's financial and business performance and plans to be materially different from those anticipated.

**Although each of the Issuer and the Sponsor believe that the risks described above are the principal risks inherent in the transaction for Noteholders, the inability of the Issuer to pay any amounts payable in respect of the Unrated Take-out MTNs may occur for other reasons and neither the Issuer nor the Sponsor represents that the above statements of the risk of subscribing for and holding the Unrated Take-out MTNs are exhaustive. While the various structured elements described in the Information Memorandum are intended to lessen some of the risks for Noteholders, there can be no assurance that these measures will be sufficient or effective to ensure payments to Noteholders of any amounts payable in respect of the Unrated Take-out MTNs on a timely basis or at all.**

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### **SECTION 3.0: THE ISSUER**

The Issuer was incorporated on 11 June 2007 in Malaysia as a public company under the Companies Act.

As at 31 October 2019, the issued and paid up share capital of the Issuer is RM2.00 comprising 2 ordinary shares.

The Issuer is a special purpose company established for the sole purpose of carrying out and implementing the asset backed Securitisation Programme which involves the Issuer acquiring, from time to time, the rights, title and interests in the Properties, and the issuance of the Notes from time to time under the MTN Programme. Under the Memorandum and Articles of Association of the Issuer, the Issuer is not permitted to undertake any business other than the Securitisation Programme and all acts incidental thereto. The shareholder of the Issuer is TMF Trustees Malaysia Berhad who hold the shares on trust for the benefit of certain charitable organisations.

The Directors of the Issuer and their profiles as at 31 October 2019 are as follows:-

#### **Thiru Selvi A/P Suparamaniam (“Selvi”)**

Selvi holds LL.B (Hons) from the University of London and Certificate in Legal Practice.

Prior to joining the company, she was attached with Ganad Corporation Sdn Bhd for 8 years as their Legal Advisor in charge of the company’s various legal and corporate issues.

She was called to the Malaysian Bar on 19th August 1999 and was in the practice for 5 years, before joining Ganad Corporation Sdn Bhd.

During her practice, she managed a portfolio comprising of banking group, several financial institutions.

In year 2012 until March 2018, she joined the Corporate Trustee Services – REITS division of RHB Trustees Berhad as Assistant Vice President. She was managing a team of 7 in the Legal & Documentation Department, wherein she was in charge of REITs, PDS, Private Trust, Will Writing services, and other legal documents of the company.

In April 2018, she joined BMW Group Financial Services Malaysia as their Legal & Compliance Manager wherein she was in charge of the compliance & legal advisory role. She was leading and involved in enhancing the compliance of the company and involved in creation of the Corporate Governance of the company, anti-money laundering related projects etc.

Selvi has joined TMF Trustees Malaysia Berhad as the Senior Manager for Capital Markets & SPV and in her new role at TMF Trustees, she oversees and manages the client services and operations team of Capital Markets & SPV.

#### **Yam Kwai Ying Sharon (“Sharon”)**

Sharon is the Chief Executive Officer and Managing Director of TMF Trustees Malaysia Berhad. She holds an accounting degree from the University of Hull, United Kingdom and she is a member of the Chartered Certified Accountants. She is also a qualified Trust and Estate practitioner with STEP (Society of Trust and Estate Practitioner).

After spending many years as an accountant in the United Kingdom and Singapore, Sharon moved on to join the international corporate and private banks. Sharon has held a number of roles within the TMF



Group. She was the Head of Trust Services for TMF Singapore in 2011, Managing Director at TMF Philippines in 2015 and in 2018, Managing Director at TMF Malaysia.

Sharon has an in-depth knowledge in accounting, global client management, compliance, trustee and wealth structuring services. In her role at TMF Malaysia, she oversees and manages the client services and operations team located at Kuala Lumpur, Penang and Labuan.

The Issuer has no employees and will not hire any employees.

Certain corporate affairs of the Issuer (including corporate and secretarial functions) are managed by the Administrator.

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## SECTION 4.0: THE SPONSOR

### **MapletreeLog (M) Holdings Sdn Bhd (“MMH”) as Sponsor**

MMH was incorporated on 24 February 2005 as a private limited company under the Companies Act with the name of Takrif Permata Sdn Bhd. It assumed its present name on 6 February 2006. Its registered address is at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The paid up share capital of MMH as at 31 October 2019 is RM250,000.00. MMH is an investment and asset holding company.

The Directors of MMH as at 31 October 2019 are as follows:-

1. Ng Kiat
2. Lim Ming Rean
3. Leong Kin Kong

MMH is a wholly owned subsidiary of MapletreeLog Malaysia Holdings Pte. Ltd. which in turn, is wholly-owned by Mapletree Logistics Trust (“**MLT**”).

MLT, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST main board on 28 July 2005. MLT’s principal strategy is to invest, directly or indirectly, in a diversified portfolio of income-producing logistics real estate and real estate-related assets. Starting with an initial portfolio of 15 logistics assets valued at S\$422.0 million (as at 31 May 2005), MLT’s portfolio has since grown to approximately S\$7.95 billion comprising of 137 properties across the Asia-Pacific region in Singapore, Hong Kong SAR, Japan, China, Australia, South Korea, Malaysia and Vietnam as at 30 September 2019.

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## **SECTION 5.0: THE ORIGINATORS IN RELATION TO THE REFINANCED PROPERTIES**

The Refinanced Properties were previously acquired by the Issuer from the following Originators pursuant to the previous issuances of Bridge MTNs by the Issuer.

### **5.1 Pancuran Baiduri Sdn Bhd (“Pancuran Baiduri”) as Originator for the Pancuran Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Pancuran Baiduri was incorporated on 6 December 1991 as a private limited company under the Companies Act and was dissolved on 28 February 2019.

### **5.2 Zentraline Sdn Bhd (“Zentraline”) as Originator for the Zentraline Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Zentraline was incorporated on 19 November 1992 as a private limited company under the Companies Act and was dissolved on 28 February 2019.

### **5.3 Well-Built Holdings Sdn Bhd (“Well-Built”) as Originator for the Celestica Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Well-Built was incorporated on 7 November 1995 as a private limited company under the Companies Act and has since been dissolved.

### **5.4 Mapletree MIF Malaysia 2 Sdn Bhd (“Mapletree MIF”) as Originator for the Flex Hub Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Mapletree MIF was incorporated on 5 July 2007 as a private limited company pursuant to the Companies Act and was dissolved on 6 April 2017.

**5.5 Carrymell (M) Sdn Bhd (“Carrymell”) as Originator for the MSALP Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Carrymell was incorporated on 7 March 2006 as a private limited company pursuant to the Companies Act. Its registered address is at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The paid up share capital of Carrymell as at 31 October 2019 is RM250,000.00. The principal activities of Carrymell are to develop, lease and operate warehouse and related facilities.

The Directors of Carrymell as at 31 October 2019 are as follows:-

1. Chua Tiow Chye
2. Koh Lay Keng
3. Leong Kin Kong

As at 31 October 2019, Carrymell is a wholly owned subsidiary of Mapletree Amethyst Ltd., which in turn is a subsidiary of Mapletree Dextra Pte. Ltd.

**5.6 Maypex Ventures Sdn Bhd (“Maypex”) as Originator for the MSLAP Property (as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Maypex was incorporated on 7 March 2006 as a private limited company pursuant to the Companies Act. Its registered address is at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The paid up share capital of Maypex as at 31 October 2019 is RM250,000.00. The principal activities of Maypex are to develop, lease and operate warehouse and related facilities.

The Directors of Maypex as at 31 October 2019 are as follows:-

1. Chua Tiow Chye
2. Koh Lay Keng
3. Leong Kin Kong

As at 31 October 2019, Maypex is a wholly owned subsidiary of Mapletree Amethyst Ltd., which in turn is a subsidiary of Mapletree Dextra Pte. Ltd.

**5.7 MMH as Originator for the Linfox Property and the Subang 2 Property (both as described in Section 8.1 below) acquired pursuant to the issuance of Bridge MTNs**

Please see section 4 of this Information Memorandum.

Note: The Refinanced Properties are registered in the name of the Issuer and have been charged to the Trustee as stated in Section 8.1 of this Information Memorandum.

## SECTION 6.0: THE ASSET MANAGER

### Mapletree Malaysia Management Sdn Bhd (“MMM”)

#### 6.1 Corporate Information of the Asset Manager

Mapletree Malaysia Management Sdn Bhd (Registration No. 200401033310 (671818-X)) was incorporated on 6 November 2004 under the Companies Act with its registered office at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. The nature of its business is management consultancy services.

The paid up share capital of MMM as at 31 October 2019 is RM500,000.00.

The Directors of MMM as at 31 October 2019 are as follows:-

1. Chua Tiow Chye
2. Lee Shiau Fei
3. Leong Kin Kong

MMM is a subsidiary of Mapletree Management Consultancy Pte. Ltd.

#### 6.2 The Asset Manager’s Roles and Responsibilities

Under the terms of the Asset Management Agreement, the Asset Manager will provide asset management services to the Issuer.

On a quarterly basis, the Asset Manager will deliver to the Issuer, the Trustee, the Rating Agency and the Facility Agent, a report in respect of each Property. The report shall comprise a summary of information which may include (amongst others) the asset value of the properties, rental deposits and insurance details of the properties.

#### 6.3 Asset Manager’s Fees

The Asset Manager shall receive as remuneration for provision of the services in the Asset Management Agreement as follows:

- (a) a base fee payable in arrears on a monthly basis which shall accrue on each day of each calendar month in respect of the period up to and including the last day of that calendar month, the first of which shall be on the date falling one (1) month from (and inclusive of) the first Issue Date and each subsequent month thereafter and which is equivalent to an amount of zero point five per cent (0.5%) per annum of all the assets of the Issuer including the total value of Properties under management, cash and investments held (“**Deposited Properties**”) (or such lower percentage as may be determined by the Asset Manager in its absolute discretion) (calculated based on the latest valuation reports of the Deposited Properties as confirmed by the Asset Manager) and which shall

be calculated on the last day of the calendar month multiplied by the number of days in the relevant period and computed on the basis of a year of three hundred and sixty five (365) days;

- (b) a performance fee payable in arrears within sixty (60) days after the date of the audited accounts of the Issuer for the relevant financial year (or such other period as may be agreed by the Asset Manager and the Trustee) which is equivalent to an amount of three point six per cent (3.6%) per annum of the Net Property Income<sup>1</sup> of the Issuer (or such lower percentage as may be determined by the Asset Manager in its absolute discretion) for that financial year calculated based on the audited accounts of the Issuer determined for that financial year;
- (c) an additional fee may, at the sole and absolute discretion of the Junior Take-out MTNs Noteholders or the Bridge MTNs Noteholders, as the case may be, after all the MTNs and External Financing have been fully paid and sufficient amount has been set aside for the winding-up cost of the Issuer, which is equal to a portion of any remaining Rated Collections and/or Unrated Collections and/or Bridge Collections as shall be determined at the sole and absolute discretion of the Junior Take-out MTNs Noteholders or the Bridge MTNs Noteholders, as the case may be; and
- (d) If the Asset Manager provided the referral or related services for the acquisition/ disposal of any Property, the Asset Manager shall receive:
  - (i) where applicable, an acquisition fee at the rate of one per cent (1.0%) (or such lower percentage as may be determined by the Asset Manager in its absolute discretion) of the acquisition price of any Property acquired by the Issuer; and
  - (ii) where applicable, a disposal fee at the rate of zero point five per cent (0.5%) (or such lower percentage as may be determined by the Asset Manager in its absolute discretion) of the sale price of any Property sold or divested by the Issuer.

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<sup>1</sup> In relation to any financial year or part thereof, means its property income less property expenses for such properties for that financial year or part thereof

## **SECTION 7.0: THE SERVICER**

### **Mapletree Property Management Pte. Ltd. (“MPM”)**

#### **7.1 Corporate Information of the Servicer**

MPM was incorporated on 29 March 2005 as a private limited company under the Singapore’s Companies Act. Its registered address is at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438.

The issued and paid up share capital of MPM as at 31 October 2019 is SGD2.00. MPM’s principal activities are to operate, maintain, manage and market properties. MPM is a subsidiary of Mapletree Investments Pte Ltd.

The role of the Servicer is to generally administer the Properties and to provide or procure property management services for the Properties.

The Directors of MPM as at 31 October 2019 are as follows:-

1. Sung Jeng Yu James
2. Koh Lay Keng

#### **7.2 The Servicer’s Roles and Responsibilities**

The Servicer will keep accurate records of all amounts payable under the relevant tenancy and lease agreements. The Servicer will provide certain services to the Issuer in relation to the Properties purchased by it and these include but are not limited to:

- (a) the collection of all rent, leases, maintenance charges and other payables relating to the Properties;
- (b) the payment of Rated Collections to the Rated Collection Account, Unrated Collections to the Unrated Collection Account and Bridge Collections to the Bridge Collection Account, respectively;
- (c) the provision of Servicer Quarterly Reports (hereinafter defined) summarising amongst others, the amount of Rated Collections, Unrated Collections and Bridge Collections and any other payments received, delinquency and default information, and the amount of maintenance, upkeep, renovation and upgrading spent on the Properties;
- (d) the keeping of records, books, accounts and data in relation to each Property;
- (e) procuring the provision of property management services for the Properties;
- (f) the taking of appropriate action against such tenants where there has been any default with any of the terms of the relevant tenancy/lease agreements; and
- (g) other services as stated in the Servicing Agreement.

The Servicer undertakes also to designate each of the Properties in its books of account, records and computer systems in such a manner as will identify the relevant Properties as being owned, leased, sub-leased or tenanted by the Issuer and will distinguish each of such Property from other assets owned or serviced by the Servicer.

On a quarterly basis, the Servicer will deliver to the Issuer, the Trustee, the Rating Agency and the Facility Agent, a report in respect of each Property (the “**Servicer Quarterly Report**”) setting forth, among other things, the aggregate amount of the Rated Collections, Unrated Collections and Bridge Collections received during the preceding quarter and any monies expended on maintenance, upkeep, renovating and upgrading, any changes in the tenants or lessees, any changes in the Bridge Deposit Minimum Amount, the Rated Deposit Minimum Amount and the Unrated Deposit Minimum Amount and confirmation whether such amounts have been met.

### **7.3 Servicer’s Fees**

The Servicer shall receive as remuneration for provision of the services in the servicing agreement as follows:

- (a) the fee payable in arrears on a monthly basis, the first of which shall be on the date falling one (1) month from (and inclusive of) the first Issue Date and each subsequent month thereafter which is equivalent to an amount of three per cent (3%) of the gross revenue received by the Issuer in relation to the Properties during the relevant period (or such lower percentage as may be determined by the Servicer in its absolute discretion) (calculated based on written confirmation by the Servicer of the gross revenue received by the Issuer in relation to the Properties for the relevant period); and
- (b) an additional servicer fee at the sole and absolute discretion of the Junior Take-out MTNs Noteholders or the Bridge MTNs Noteholders, as the case may be, be payable to the Servicer after all the MTNs and the External Financing have been fully paid and sufficient amount has been set aside for the winding-up cost of the Issuer, which is equal to a portion of any remaining Rated Collections, Unrated Collections and/or Bridge Collections as shall be determined at the sole and absolute discretion of the Junior Take-out MTNs Noteholders or the Bridge MTNs Noteholders, as the case may be.

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## SECTION 8.0: THE REFINANCED PROPERTIES AND THE CASH FLOW PROJECTIONS

### 8.1 Details of the Refinanced Properties

The issue proceeds of Take-out MTNs 2019-A(U) shall be utilised, inter alia, to refinance the outstanding Bridge MTNs that were previously issued by the Issuer to acquire the properties described below (collectively, the “**Refinanced Properties**”). As at 31 October 2019, the Issuer is the registered proprietor in respect of each of the Refinanced Properties.

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
1.	<p><b><u>The Pancuran Property</u></b></p> <p>All that piece of leasehold land of ninety nine (99) years expiring on 18 April 2095 held under H.S. (D) 103044, No. PT 58, Mukim Damansara, Daerah Petaling, Negeri Selangor bearing the assessment address of Lot 1, Persiaran Budiman, Seksyen 23, 40300 Shah Alam, Selangor Darul Ehsan, on which is erected a single storey warehouse with a three (3) storey office located at the front portion of the building.</p> <p>Valuation amount of the Pancuran Property: RM69.0 million as per the valuation date of 20 November 2019</p>	<p>Tenancy agreement dated 10 September 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of the Pancuran Property to the said tenant.</p> <p><u>Option to renew:</u> Option to renew for a further term of up to <b>one (1) year</b> commencing from expiry date.</p>	<p>Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 6 April 2009.</p>
2.	<p><b><u>The Zentraline Property</u></b></p> <p>All that piece of leasehold land of ninety nine (99) years expiring on 22 December 2094 held under H.S. (D) 101069, No. PT 17285, Mukim Damansara, Daerah Petaling, Negeri Selangor bearing the assessment address of Lot 6, Persiaran Budiman, Seksyen 23, 40300 Shah Alam, Selangor Darul Ehsan, on which is erected a</p>	<p>Letter of offer dated 29 December 2015 issued by the Issuer as the landlord to a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of the Zentraline Property to the said tenant</p> <p><u>Option to renew:</u> None.</p>	<p>Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 6 April 2009.</p>

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
	<p>single storey warehouse cum three (3) storey office located at the front portion of the building and two (2) storey office located at the rear portion of the building.</p> <p>Valuation amount of the Zentraline Property: RM35.5 million as per the valuation date of 20 November 2019</p>		
3.	<p><b><u>The Linfox Property</u></b> All that piece of freehold land held under H.S.(D) 51791, Lot No. PT 43439, Mukim Klang, Daerah Klang, Negeri Selangor bearing the assessment address of No. 3, Jalan Biola 33/1, Section 33 Off Jalan Bukit Kemuning, 40400 Shah Alam, Selangor on which is erected a single storey warehouse and a two (2) storey office block.</p> <p>Valuation amount of the Linfox Property: RM56.3 million as per the valuation date of 20 November 2019</p>	<p>Letter of offer dated 17 October 2018 and Tenancy Agreement dated 13 September 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of the Linfox Property to the said tenant.</p> <p><u>Option to renew:</u> Automatic renewal for further successive period of three (3) years pursuant to the terms of the tenancy agreement.</p>	<p>Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 6 April 2009.</p>
4.	<p><b><u>The Flex Hub Property</u></b> All that piece of leasehold land of sixty (60) years expiring on 31 March 2066 and held under PN 39891, Lot 75077 (previously known as H.S.(D) 3617, No. PT 87644), Mukim Kulai, Daerah Kulaijaya, Negeri Johor bearing the postal address of No. 11, Jalan Persiaran Teknologi, Taman</p>	<p>(i) Lease agreement dated 16 May 2008 and supplemental agreement to lease dated 28 April 2014 made between Mapletree MIF Malaysia 2 Sdn Bhd (Registration No. 200701021682 (779697-U)) as the lessor and a lessee operating in the OEM for electronics products industry, whereby the aforementioned lessor has granted a lease of the Flex Hub Property to the said lessee; and</p>	<p>(i) Lease of the entire piece of land, registered on 30 June 2014.</p> <p>(ii) Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, which was</p>

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
	<p>Teknologi Johor, 81400 Senai, Johor, on which is erected seven (7) blocks of factories and warehouses and one (1) office block erected thereon.</p> <p>Valuation amount of the Flex Hub Property: RM96.0 million as per the valuation date of 21 November 2019</p>	<p>(ii) Lease novation agreement dated 30 June 2014 made between Mapletree MIF Malaysia 2 Sdn Bhd (Registration No. 200701021682 (779697-U)) as the vendor, the Issuer as the purchaser of the Flex Hub Property and the said lessee in item (i) above, whereby the Issuer is substituted in place of the aforementioned vendor as a party to the Lease Agreement dated 16 May 2008, as amended by the supplemental agreement to lease dated 28 April 2014.</p> <p><u>Option to renew lease:</u> Option to renew on terms to be mutually agreed between the parties.</p>	<p>registered on 30 June 2014.</p>
5.	<p><b><u>The Mapletree Shah Alam Logistics Park (“MSALP”) Property</u></b></p> <p>All that piece of leasehold land of ninety nine (99) years expiring on 30 May 2098 and held under PN 9523, Lot 3 Seksyen 23, Bandar Shah Alam, Daerah Petaling, Negeri Selangor bearing the postal address of No. 14, Persiaran Perusahaan, Section 23, 40300 Shah Alam, Selangor Darul Ehsan, Malaysia, on which is erected three blocks of single-storey multi-tenanted logistics and warehousing facility with mezzanine office.</p> <p>Valuation amount of the MSALP Property: RM 177.4 million as per the valuation date of 20</p>	<p>(i) Tenancy agreement dated 10 July 2019 made between the Issuer as the landlord and a tenant operating in the telecommunication industry, whereby the Issuer has granted a tenancy of Unit 4 of Block B of the MSALP Property to the said tenant;</p> <p><u>Option to renew:</u> Option to renew for a further term of up to <b>two (2) years</b> from expiry date.</p> <p>(ii) Tenancy agreement dated 10 July 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry as the tenant, whereby the Issuer has granted a tenancy of Unit 1 of Block B of the MSALP Property to the said tenant;</p> <p><u>Option to renew:</u> Option to renew for a further term of up to <b>three (3) years</b> from expiry date.</p>	<p>Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 29 September 2016.</p>

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
	November 2019	<p>(iii) Tenancy agreement dated 17 July 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of Unit 3 and 4 of Block C of the MSALP Property to the said tenant;</p> <p><u>Option to renew:</u> Option to renew for a further term up to <b>three (3) years</b> from expiry date.</p> <p>(iv) Tenancy agreement dated 24 May 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of Units 1, 2, 3 and 4 of Block A of the MSALP Property to the said tenant;</p> <p><u>Option to renew:</u> Option to renew subject to terms to be agreed upon.</p> <p>(v) Letter of offer dated 30 April 2018 issued by the Issuer as the landlord to a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of Units 2 and 3 of Block B of the MSALP Property to the said tenant; and</p> <p><u>Option to renew:</u> None.</p> <p>(vi) Tenancy agreement dated 16 November 2018 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of Units</p>	

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
		<p>1 and 2 of Block C of the MSALP Property to the said tenant.</p> <p><u>Option to renew:</u> Option to renew subject to terms to be agreed upon.</p> <p>(vii) Letter of offer dated 2 November 2018 issued by the Issuer as the landlord to a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of the Mezzanine Office of Block B, Unit 3 of the MSALP Property to the said tenant.</p> <p><u>Option to renew:</u> None.</p>	
6.	<p><b><u>The Celestica Property</u></b></p> <p>Collectively,</p> <p>(i) all that piece of freehold land held under H.S.(M) 3262 (previously GM 587), PTD 102021, Mukim Senai, Tempat Seelong, Daerah Kulaijaya, Negeri Johor together with the single-storey air-conditioned detached warehouse with four (4) dock levelers erected thereon currently operated as a factory-warehouse and bearing the postal address of Lot 211, Jalan Seelong, 81400 Senai, Johor Darul Takzim (“<b>Celestica 1 Property</b>”); and</p> <p>(ii) all that piece of freehold</p>	<p>Tenancy agreement dated 19 July 2019 made between the Issuer as the landlord and a tenant operating in the OEM for electronics products industry, whereby the Issuer has granted a tenancy of the Celestica 1 Property to the said tenant.</p> <p><u>Option to renew:</u> Automatically renewed if the tenant does not give the landlord notice:</p> <p>Tenancy agreement dated 27 December 2017 made between the Issuer as the landlord and a tenant operating in the OEM for electronics products industry, whereby the Issuer has granted a tenancy of the Celestica 2 Property to the said tenant.</p> <p><u>Option to renew:</u> Option to renew subject to terms to be agreed upon.</p>	<p>Charge of the Celestica Property to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 18 May 2012.</p>

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
	<p>held under H.S.(M) 3665 (previously GM 579), PTD 103223, Mukim Senai, Tempat Seelong, Daerah Kulaijaya, Negeri Johor together with the single-storey air-conditioned detached factory-warehouse with four (4) dock levelers and an annexed two (2) storey office building erected thereon currently operated as a factory-warehouse and bearing the postal address of Lot 205, Jalan Seelong, 81400 Senai, Johor Darul Takzim (“<b>Celestica 2 Property</b>”).</p> <p>Valuation amount of the Celestica Property: Celestica 1 Property and Celestica 2 Property: RM38.9 million as per the valuation date of 21 November 2019</p>		
7.	<p><b><u>The Subang 2 Property</u></b> All that piece of leasehold land held under H.S. (M) 4108, PT 10598, Mukim Damansara, Tempat Kg. Penaga, Daerah Petaling, Negeri Selangor bearing the postal address of Lot 832, Jalan Subang 6, Taman Perindustrian Subang, 47500 Subang Jaya, Selangor Darul Ehsan, on which is erected a single storey warehouse and a three (3) storey annex office block.</p>	<p>Tenancy agreement dated 22 August 2019 made between the Issuer as the landlord and a tenant operating in the logistics and warehousing industry, whereby the Issuer has granted a tenancy of the Subang 2 Property to the said tenant.</p> <p><u>Option to renew:</u> Option to renew subject to terms to be agreed upon.</p>	<p>Charge to secure principal monies and other amounts payable by the Issuer to the Trustee, registered on 3 April 2009.</p>

No.	Refinanced Properties	Existing Lease or Tenancy or Letter of Offer	Encumbrances
	Valuation amount of the Subang 2 Property: RM21.6 million as per the valuation date of 20 November 2019		

## 8.2 Age Analysis Of Trade Receivables

The age analysis of trade receivables past due but not impaired is as follows:

<b>RM'000</b>	<b>30-Nov-19</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
Past due 0 to 30 days <sup>(1)</sup>	3,093	120	327
Past due 31 to 120 days <sup>(2)</sup>	30	19	-
Past due over 120 days <sup>(2)</sup>	6	5	-
<b>Total</b>	<b>3,129</b>	<b>143</b>	<b>327</b>

(1) Receivables past due between 0 to 30 days are within the grace period.

(2) Relates to receivables outstanding for utilities charges including electricity, sewerage and water as well as interest on receivables outstanding past the grace period.

## 8.3 Stress Level

If the lease rental income increase or reduce by 10%, the net property cash flow will increase or decrease by RM3,587,000 per annum based on the lease rental income for the period between 1 December 2019 to 30 November 2020.

## 8.4 Cash Flow Projections of the Refinanced Properties

Please see Appendix 2 for the cash flow projections for the Year 1 to 7 of the Refinanced Properties after the issuance of the Take-out MTNs 2019-A(U) for the Refinanced Properties as detailed in Section 8.1 herein.

### Basis of preparation and assumption for the cash flow projections

#### 1. Lease/Tenancy Rentals

Lease rental comprise of gross rental income which is forecasted based on existing committed lease / tenancy agreements of the Refinanced Properties.

The portfolio weighted average lease expiry (“**WALE**”) is 1.44 years as at 30 November 2019. Expiring tenancies are assumed to be renewed or replaced with new tenants after an average vacancy period of 1 month, at an average increase of 1% in rental rate.

Year 1 lease rental income above is derived from the following Refinanced Properties:

<b>Refinanced Properties</b>	<b>Lease rental income (RM'000)</b>	<b>Percentage Contribution (%)</b>
Pancuran Property	5,411	15%
Zentraline Property	2,502	7%
Linfox Property	3,523	10%
Flex Hub Property	8,477	23%



Mapletree Shah Alam Logistics Park	12,499	34%
Celestica Property	2,995	8%
Subang 2 Property	1,576	4%
<b>Total</b>	<b>36,983</b>	<b>100%</b>

## Cash Outflows

### 1. Property Expenses

Property Expenses are expected to comprise primarily the following: -

- (a) Building operation and maintenance
- (b) Quit rent and assessment
- (c) Insurance
- (d) Servicer fee payable to the Property Manager
- (e) Miscellaneous expenses

Building operation and maintenance expenses are assumed to escalate on average of about 2% per annum. Quit rent, assessment and insurance expenses are assumed to escalate on average of about 1% per annum. Servicer fees are fees payable to the property manager of the Refinanced Properties. The servicer fees is calculated based on 3% of gross rental income.

### 2. Programme Cost

Estimated programme cost include one-off fees in relation to the issuance of the Take-out MTNs as well as on-going expenses to maintaining the MTN Programme. The expenses in relation to the MTN Programme include:-

- (a) Legal fees
- (b) Arrangement and advisory fees
- (c) Regulatory fees and other maintenance fees
- (d) Other professional fees
- (e) Valuers fees
- (f) Facility and calculation agent fees
- (g) Out-of-pocket expenses
- (h) Goods and services tax

### 3. Other Operating and Administrative Expenses

It is estimated that other operating and administrative expenses incurred by the Issuer will include the following fees: -

- (a) Issuer audit fees
- (b) Tax consultancy fee

- (c) Valuation fees
- (d) Trustee' fees
- (e) Asset Manager's management fee payable to the Asset Manager
- (f) Miscellaneous expenses
- (g) Out-of-pocket expenses
- (h) Goods and services tax

Asset Manager's management fee payable to the Asset Manager is assumed at (a) a base fee payable in arrears which is equivalent to an amount of 0.50% flat per annum on the total value of Properties, cash and investments under management and (b) a performance fee payable in arrears which is equivalent to an amount of 3.6% per annum of the Net Property Income of the Issuer.

Net Property Income shall mean in relation to any financial year or part thereof, property income less property expenses for such properties for that financial year or part thereof.

4. Income Tax

Corporate tax rate is assumed to remain at 24% throughout the projection period.

5. Refinancing of Take-out MTNs 2019-A(U)

The Take-out MTNs 2019-A(U) can be redeemed via refinancing and/or disposal of the Refinanced Properties at the end of the seven-year period from the date of issuance ("Expected Maturity Date").

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## **SECTION 9.0: OVERVIEW OF THE ECONOMY OF MALAYSIA**

Neither the Issuer, the Lead Arranger, the Lead Manager, the Sponsor nor any other party has verified or will be held responsible for any information contained herein.

### **9.1 Overview of the Economy of Malaysia**

#### **The Malaysian economy grew by 4.4% in the third quarter of 2019**

Growth in the Malaysian economy moderated to 4.4% in the third quarter of 2019 (2Q 2019: 4.9%), primarily attributed to lower growth in key sectors and a decline in the mining and construction activities. On the demand side, most domestic demand components and net exports registered slower growth momentum. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 0.9% (2Q 2019: 1.0%).

#### **Domestic demand continued to anchor growth, albeit at a slower momentum**

Domestic demand growth moderated to 3.5% (2Q 2019: 4.6%), with private sector expenditure remaining the key contributor to growth.

Private consumption grew by 7.0% (2Q 2019: 7.8%), as household spending normalised towards its long-term trend. This partly reflected strong base effects from the tax holiday spending last year. Nevertheless, spending remained supported by continued income and employment growth, as well as selected Government measures.

Public consumption spending increased by 1.0% (2Q 2019: 0.3%). While emolument growth remained positive, expenditure on supplies and services continued to decline, albeit at a slower pace. This is in line with the Government's commitment to expenditure optimisation.

Gross fixed capital formation (GFCF) contracted by 3.7% (2Q 2019: -0.6%), on account of slower growth in private sector capital expenditure and a larger contraction in public sector investment. By type of assets, investment in structures contracted by 2.4% (2Q 2019: +1.2%), while investment in machinery and equipment declined further to -7.4% (2Q 2019: -4.2%). However, investment in other types of assets improved to 3.6% (2Q 2019: 1.0%) due mainly to higher research and development (R&D) spending.

Private investment growth expanded marginally by 0.3% (2Q 2019: 1.8%), weighed down by lower capital spending across major economic sectors. Investment continued to be affected by heightened uncertainty surrounding external conditions and continued weakness in the broad property segment. Public investment remained in contraction (-14.1%; 2Q 2019: -9.0%), reflecting lower capital spending by both Federal Government and public corporations.

#### **Services and manufacturing sectors continued to support growth**

The services sector grew by 5.9% in the third quarter of 2019 (2Q 2019: 6.1%). Most key subsectors moderated. In the wholesale and retail subsector, the stronger expansion in wholesale was off set by lower growth in the retail and motor vehicles segments. Growth in the transport and storage subsector was also lower amid weaker trade activity, while the finance and insurance subsector was weighed down by slower financing activity despite higher fee-based income. Meanwhile, the information and communication subsector grew at a moderate pace, reflecting slower demand for data communication services.

Growth in the manufacturing sector moderated to 3.6% (2Q 2019: 4.3%) due to the slower growth in the E&E and consumer-related industries. In the E&E cluster, the production of electronics-related products was affected by the ongoing weakness in global demand. The slower growth in the consumer related industries was attributable to the lower growth in crude and refined palm oil production. Transport equipment category registered lower growth due to the high base during the tax holiday period last year.

The agriculture sector grew by 3.7% (2Q 2019: 4.2%), as the pace of recovery in oil palm output slowed while forestry and logging activities contracted further. These factors outweighed the improvement in rubber and livestock production.

Meanwhile, the mining sector contracted by 4.3% (2Q 2019: +2.9%), due mainly to maintenance works that affected oil production. This partially offset the ongoing output recovery in natural gas.

The construction sector contracted by 1.5% (2Q 2019: +0.5%). The main contributor was the larger contraction in the non-residential subsector amid the continued oversupply of commercial properties. In the residential subsector, activities declined further amid high number of unsold residential properties. The civil engineering subsector's growth moderated following the near completion of large petrochemical and highway projects. Growth in the special trade subsector was also lower reflecting fewer early works activities from large projects that were already at mid-stages of completion.

### **Headline inflation increased mainly reflecting the lapse in the impact of the GST zerorisation**

Headline inflation, as measured by the annual percentage change in the Consumer Price Index (CPI), increased to 1.3% in 3Q 2019 (2Q 2019: 0.7%).

The higher inflation outcome mainly reflected the lapse in the impact from the GST zerorisation between June and August 2018. This was despite the lapse in the impact of the Sales and Services Tax (SST) implementation in September, which contributed to lower headline inflation that month (September: 1.1%; August: 1.5%; July: 1.4%).

There was a slightly larger negative contribution to headline inflation from fuel products during the quarter. This reflected a decline in the RON97 petrol price amid lower average global oil prices (average RON97 petrol price per litre 3Q 2019: RM2.56; 2Q 2019: RM2.65).

Core inflation, excluding the impact of consumption tax policy changes, was steady at 1.5% (2Q 2019: 1.6%). Demand-driven inflationary pressures remained broadly stable and contained, amid the absence of excessive wage pressure and some degree of spare capacity in the capital stock.

### **Supportive labour market conditions**

Labour market conditions remained supportive of growth during the quarter. The unemployment rate was stable at 3.3% (2Q 2019: 3.3%), as employment gains matched the expansion of the labour force. Employment growth was also sustained at 2.1% (2Q 2019: 2.1%).

Private sector wage growth moderated to 3.8% (2Q 2019: 4.2%). This was supported mainly by services wage growth, which was relatively sustained (4.1%; 2Q 2019: 4.4%), particularly in the food and beverages (6.0%, 2Q 2019: 5.8%); and information and communication sub-sectors (3.5%, 2Q 2019: 3.6%). Growth of manufacturing wages was more moderate (3.2%, 2Q 2019: 3.9%).

Lower wage growth was observed largely in export-oriented industries, particularly in the E&E (4.1%; 2Q 2019: 5.1%) and petrochemical clusters (2.2%; 2Q 2019: 3.1%).

### **Continued decline in exports and a sharper contraction in imports**

In the third quarter of 2019, gross exports contracted by 1.9% (2Q 2019: -0.4%). This reflected a decline in commodities and E&E exports, which more than off set the improvement in non-resource based exports. Gross imports declined to -5.8% (2Q 2019: -1.4%) and was broad-based. The trade surplus increased to RM33.5 billion (2Q 2019: RM30.4 billion).

Commodities exports turned negative (-10.0%; 2Q 2019: 0.2%) due primarily to a sharp decline in crude petroleum exports (-43.9%; 2Q 2019: -10.4%). This was attributable to the temporary closure for maintenance works at selected oil fields and lower global oil prices. Manufactured exports contracted by 0.6% (2Q 2019: 0.2%) following lower E&E and resource-based exports. E&E exports recorded a larger decline (-4.9%; 2Q 2019: -0.6%) amid lower demand from PR China and regional economies, due in part to the slowdown in global semiconductor sales and the ongoing trade tensions. By contrast, non-resource based products grew at a faster pace (6.9%; 2Q 2019: 1.2%), supported by higher demand for transport equipment, machinery equipment and parts, iron and steel products.

Intermediate imports contracted (-3.0%; 2Q 2019: 6.8%) during the quarter due to lower imports of electronics and telecommunications equipment, and processed industrial supplies, such as chemicals and metals. Capital imports recorded a steeper decline (-15.4%; 2Q 2019: -8.9%), affected by a larger drag from machineries and transport equipment investments.

### **Current account surplus driven by higher goods surplus**

The current account surplus of the balance of payments amounted to RM11.5 billion or 3.1% of GNI in the third quarter of 2019 (2Q 2019: RM14.3 billion or 3.9% of GNI). The higher goods surplus and lower services deficit was off set by a larger primary income deficit.

As the decline in import growth outpaced export growth, the goods surplus widened to RM30.8 billion (2Q 2019: RM28.1 billion).

In the services account, the deficit narrowed to RM1.6 billion (2Q 2019: -RM3.4 billion) during the quarter. This was due primarily to an increase in the travel account surplus (RM9.5 billion; 2Q 2019: RM7.1 billion) following higher tourist arrivals and per capita spending.

The primary income account registered a larger deficit of RM12.2 billion (2Q 2019: -RM5.5 billion). This was on account of lower investment income earned by Malaysian firms investing abroad amid higher profits earned by foreign investors in Malaysia.

The deficit in the secondary income account amounted to RM5.5 billion (2Q 2019: -RM4.9 billion), reflecting continued outward remittances by foreign workers.

### **Financial account registered a smaller net outflow**

The financial account registered a smaller net outflow of RM1.3 billion (2Q 2019: -RM18.6 billion). During the quarter, outflows in the direct investment and portfolio investment accounts were partly off set by inflows in the other investment account. Of note, long term investment flows slowed during the quarter.

The direct investment account registered a smaller net outflow of RM0.8 billion (2Q 2019: net outflow of RM8.2 billion), due largely to smaller outflows of direct investment abroad (DIA). During the quarter, DIA by Malaysian companies registered a smaller net outflow of RM3.7 billion (2Q 2019:-RM12.6 billion). The outflows were mainly channelled into the manufacturing and non-financial services sectors, particularly the arts, entertainment and recreation subsector. FDI also registered a smaller net inflow of RM2.9 billion (2Q 2019: +RM4.4 billion). While equity capital injections increased, this was off set by higher dividend payments to direct investors, and a net repayment of intercompany loans to parent companies and affiliates. FDI was channelled mainly into the non-financial services, particularly wholesale and retail trade subsector, and the financial services sector.

The portfolio investment account registered a larger net outflow of RM26.8 billion (2Q 2019: -RM10.2 billion), following outflows from both resident and non-resident investors. Residents' portfolio investments abroad recorded a substantially larger net outflow (RM18.9 billion; 2Q 2019: -RM5.0 billion) as institutional investors purchased equity and debt securities abroad. For non-residents, despite inflows into the domestic bond market (please refer to developments in the domestic financial markets on page 27), repayments due to maturing international debt securities led to a net outflow of RM7.9 billion during the quarter (2Q 2019: -RM5.1 billion).

The other investment account recorded a larger net inflow of RM25.3 billion (2Q 2019: RM0.3 billion), due to the reversal of previous interbank placements abroad by resident banks that have matured. Net errors and omissions amounted to -RM3.7 billion, or -0.8% of total trade.

### **Lower external debt**

Malaysia's external debt amounted to RM916.4 billion, or 60.4% of GDP as at end-September 2019 (end-June 2019: RM931.1 billion or 61.4% of GDP). The lower external debt reflected mainly the decline in intercompany loans. This was attributed largely to the consolidation of the net debt obligations of a foreign multinational corporation in the mining sector. There was also a net repayment of bonds and notes during the quarter.

These were partly off set by acquisitions of domestic debt securities by non-residents and higher interbank borrowings. In addition, there was also higher revaluation from the weaker ringgit against regional and major currencies during the period.

The country's external debt remains manageable, given its currency and maturity profiles. Close to one-third of external debt was denominated in ringgit (32.9%; end-June 2019: 31.7%), mainly in non-resident holdings of domestic debt securities (62.5% share of ringgit-denominated external debt) and ringgit deposits (17.8% share) in domestic banking institutions. As such, these liabilities are not subject to valuation changes from fluctuations in the ringgit exchange rate.

The remaining external debt of RM615.3 billion or 67.1% of total external debt was denominated in foreign currency (FCY). The corporate sector accounted for close to half of FCY-denominated external debt and are largely subject to prudential and hedging requirements.

By instrument, 39.0% (or RM239.6 billion) of FCY-denominated external debt were accounted for by interbank borrowings and FCY deposits in the domestic banking system. 74.0% of interbank borrowings were in the form of largely stable intragroup borrowings from related offices abroad, including parent banks, regional offices and subsidiaries. This reflected banks' centralised liquidity and funding management practices. Foreign-currency risk, measured in terms of the net open position of FCY-denominated exposures, remained low at 4.1% of banks' total capital.

Long-term bonds and notes issued off shore, accounting for 25.3% of total FCY-denominated external debt, stood at RM155.7 billion as at end-September 2019. These were mainly by nonfinancial corporations and channelled primarily to finance asset acquisitions abroad. The intercompany loans, amounting to RM91.4 billion and accounting for 14.9% of FCY-denominated external debt, are typically on flexible and concessionary terms.

From a maturity perspective, 57.0% of the total external debt was skewed to medium- to long-term tenure (end-June 2019: 58.3%), suggesting low rollover risks. Short-term external debt accounted for the remaining 43.0% of external debt. Close to half of the short-term external debt were intragroup borrowings among banks and corporations, which are generally stable and on concessionary terms, while another 12% were accounted by trade credits, which are largely backed by export earnings. As at 31 October 2019, international reserves stood at USD103.2 billion, sufficient to finance 7.6 months of retained imports, and is 1.1 times the short-term external debt.

*(Source: BNM's Quarterly Bulletin – Third Quarter 2019)*

## SECTION 10.0: TAKE-OUT MTNS 2019-A(U)

Nominal Amount : The Take-out MTNs 2019-A(U) will have a total nominal value of RM445.0 million with the following classes:

Unrated Class A Senior Take-out MTNs: RM250.0 million in nominal value

The Junior Take-out MTNs: RM195.0 million in nominal value

Indicative Rating : Take-out MTNs 2019-A(U) are unrated.

Coupon Rate : The Take-out MTNs 2019-A(U) will have a fixed rate of interest based on the nominal value of the Notes as follows:

Unrated Class A Senior Take-out MTNs: 4.30% per annum

If not otherwise redeemed on its Expected Maturity Date, the coupon rate for Unrated Class A Senior Take-out MTNs from the Expected Maturity Date to the Legal Maturity Date shall be increased by 1.0% per annum from the determined coupon rate. Step-up interest is applicable when the Issuer fails to redeem the Unrated Class A Senior Take-out MTNs on the Expected Maturity Dates.

The Junior Take-out MTNs will have a coupon rate of 5.0% per annum.

Expected Maturity on an indicative basis : Take-out MTNs 2019-A(U) will have an Expected Maturity Date as follows:  
Unrated Class A Senior Take-out MTNs: 7 years from date of issue

The Junior Take-out MTNs, 7 years from date of issue

The Take-out MTNs 2019-A(U) are expected to be issued by 30 December 2019.

Tenure/Legal Maturity Dates on an indicative basis : Take-out MTNs 2019-A(U) will have an Legal Maturity Date as follows:  
Unrated Class A Senior Take-out MTNs: 8.5 years from date of issue

The Junior Take-out MTNs, on 18 February 2069

Transferability : The Take-out MTNs 2019-A(U) are tradeable and transferable subject to the relevant Selling Restrictions.



Utilisation of proceeds for issuance of Take-out MTNs 2019-A(U) : **The issue proceeds from the issuance of Take-out MTNs 2019-A(U) shall be utilised by the Issuer as follows:**

<b>Item</b>	<b>Up to (RM)</b>
(i) to refinance all of the outstanding Bridge MTNs that were issued to acquire the Refinanced Properties; and	407,146,059
(ii) to meet fees, costs and expenses including fees, costs and expenses incurred or to be incurred by the Issuer in connection with the issuance and any capital expenditure including fees, costs and expenses in connection with the maintenance and administration of the Refinanced Properties.	37,853,941
<b>Total</b>	<b>445,000,000</b>

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**SECTION 11.0: PREVIOUS ISSUANCES OF BRIDGE MTNS THAT WILL BE REFINANCED BY TAKE-OUT MTNS 2019-A(U)**

Bridge MTNs

No.	Issue Date	Originators	Property	Issuance Nominal Amount (RM)	Nominal Amount Outstanding (RM) (as at 31 October 2019)
1.	18 Feb 2009	MapletreeLog (M) Holdings Sdn Bhd (“MMH”)	H.S.(D) 51791, Lot No. PT 43439, Mukim Klang, Daerah Klang, Negeri Selangor bearing assessment address of No.3, Jalan Biola 33/1, Section 33 off Jalan Bukit Kemuning, 40400 Shah Alam, Selangor	127,988,059	127,988,059
		MMH	H.S. (M) 4108, No. PT 10598, Tempat Kg. Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor bearing assessment address of Lot 832, Jalan Subang 6, Mukim Damansara, 47500 Subang Jaya, Selangor Darul Ehsan		
		Pancuran Baiduri Sdn Bhd	H.S. (D) 103044, No. PT 58, Mukim Damansara, Daerah Petaling, Negeri Selangor bearing assessment address of Lot 1, Persiaran Budiman, Seksyen 23, Shah Alam, Selangor Darul Ehsan		
		Zentraline Sdn Bhd	H.S. (D) 101069, No. PT 17285, Mukim Damansara, Daerah Petaling, Negeri Selangor bearing assessment address of Lot 6, Persiaran Budiman, Seksyen 23, Shah Alam, Selangor Darul Ehsan		
2.	16 May 2012	Well-Built Holdings Sdn	GM 579 (previously GM 811), No. Lot 205, Mukim	28,298,000	28,298,000

No.	Issue Date	Originators	Property	Issuance Nominal Amount (RM)	Nominal Amount Outstanding (RM) (as at 31 October 2019)
		Bhd	Senai, Tempat Seelong, Daerah Kulaijaya, Negeri Johor bearing assessment address at Lot 205, Jalan Seelong, 81400 Senai, Johor Darul Takzim  H.S.(M) 3262 (previously GM 587), No. PTD 102021, Mukim Senai, Tempat Seelong, Daerah Kulaijaya, Negeri Johor bearing assessment address at Lot 211, Jalan Seelong, 81400 Senai, Johor Darul Takzim		
3.	23 June 2014 and 27 June 2014	Mapletree MIF Malaysia 2 Sdn Bhd	PN 39891, Lot 75077, (previously known as H.S.(D) 3617, No. PT 87644), Mukim Kulai, Daerah Kulaijaya, Negeri Johor bearing assessment address at No. 11, Jalan Persiaran Teknologi, Taman Teknologi Johor, 81400 Senai, Johor	89,900,000	89,900,000
4.	7 September 2016 and 13 September 2016	Carrymell (M) Sdn Bhd and Maypex Ventures Sdn Bhd	PN 9523, No. Lot 3 Seksyen 23, Bandar Shah Alam, Daerah Petaling, Negeri Selangor bearing assessment address at No. 14, Persiaran Perusahaan, Section 23, 40300 Shah Alam, Selangor	160,960,000.00	160,960,000

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## **SECTION 12.0: OTHER TRANSACTION PARTIES**

### **TMF Global Services (Malaysia) Sdn. Bhd. (Administrator)**

The Administrator was incorporated on 5 June 1998 under the Companies Act under the name of Brumby & Co (Malaysia) Sdn Bhd. The Administrator changed its name from Brumby & Co (Malaysia) Sdn Bhd to Insinger Brumby (Malaysia) Sdn. Bhd. on 16 October 2000, and on 8 July 2003, the Administrator changed its name from Insinger Brumby (Malaysia) Sdn. Bhd. to EQ Corporate Services (Malaysia) Sdn Bhd. Thereafter, the administrator changed its name from EQ Corporate Services (Malaysia) Sdn Bhd. to TMF Global Services (Malaysia) Sdn Bhd on 16 December 2011. As at 31 October 2019, the Administrator's registered office is at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur. The nature of its business is providing of secretarial and related corporate services and to carry on the business of trust services.

The role of the Administrator is to provide company secretarial services to and administer the statutory duties of the Issuer, including the filing of the relevant statutory returns with the regulatory authorities and to act on any other matters as may be instructed by the Trustee from time to time. The fees payable to the Administrator will be based on arm's length terms.

### **CIMB Islamic Trustee Berhad (Trustee)**

The Trustee was incorporated on 19 January 1988 under the Companies Act and registered as a Trust Company under Section 4 of the Trust Companies Act 1949 with its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur. The Trustee changed its name to CIMB Islamic Trustee Berhad with effect from 2 March 2012. The Trustee is qualified to be appointed or to act as trustee in accordance with Section 260 of the CMSA.

The role of the Trustee is to act as trustee for the Noteholders and to hold the benefit of the Security Documents and all amounts received by it from the Issuer in trust for each and every Noteholder in accordance with the provisions of the Trust Deed and the Priority and Security Sharing Agreement. The fees payable to the Trustee will be based on arm's length terms.

### **TMF Trustees Malaysia Berhad (Share Trustee)**

The Share Trustee was incorporated in Malaysia on 1 April 2003 under the Companies Act and registered as a trust company under the Trust Companies Act 1949 on 9 October 2003. As at 31 October 2019, the Share Trustee's registered office is at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur. The principal activity of the Shares Trustee is to carry on the business of a trust company.

Under the terms of a declaration of trust, the Share Trustee will hold the entire issued and paid-up share capital of the Issuer under a discretionary trust for the benefit of certain Malaysian entities including Malaysian charities. The beneficiaries shall not include parties related or affiliated to Sponsor Group Entities. The fees payable to the Share Trustee will be based on arm's length terms.

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## **SECTION 13.0: DESCRIPTION OF SIGNIFICANT TRANSACTION DOCUMENTS**

### **A. TRANSACTION DOCUMENTS**

#### **1. Sale and Purchase Agreements**

Sale and Purchase Agreements will be entered into, from time to time, by the Originators as owner/seller of a Property and the Issuer as purchaser. Under the terms of the Sale and Purchase Agreements, the seller agrees to sell and assign absolutely to the Issuer and the Issuer agrees to purchase all of the seller's rights, title and interest in relation to the Property.

The seller and the Issuer intend the sale of the Property under the Sale and Purchase Agreement to be a true sale by way of a disposal of all of the seller's rights, title and interest in relation to the Property for all purposes, providing the Issuer with the full risks and benefits of ownership thereof.

There are no Sale and Purchase Agreements entered into by the Issuer pursuant to the Take-out MTNs 2019-A(U) as the securitised assets for the Take-Out MTNs 2019-A(U) are Properties which were previously acquired by the Issuer pursuant to previous issuances of Bridge MTNs, as highlighted in section 11.0 of this Information Memorandum.

#### **2. Novation Agreements**

There are no Novation Agreements entered into by the Issuer in relation to the Take-out MTNs 2019-A(U) as the Refinanced Properties were previously acquired by the Issuer pursuant to previous issuances of Bridge MTNs, as highlighted in section 11.0 above.

#### **3. Asset Management Agreement**

The Asset Management Agreement has been executed by the Asset Manager, Issuer and the Trustee.

The Asset Manager has been appointed to provide asset management services to the Issuer, including but not limited to identifying asset acquisition opportunities, assisting in the acquisition of Properties for the Issuer, identifying asset disposal opportunities, assisting in the disposal of Properties for the Issuer, recommending and assisting in the appropriate mix of financing for the acquisition of Properties, overseeing the Servicer in carrying out appropriate maintenance and upkeep of the Properties and any necessary upgrading and renovation works, establish credit control policy for the Servicer and recommending and assisting in the appropriate mix of financing for refinancing any maturing MTNs.

#### **4. Servicing Agreement**

The Servicing Agreement has been executed by the Servicer, the Trustee and the Issuer.

The Servicer is appointed to provide certain collection and property management services in respect of the Rated Collections, the Unrated Collections, the Bridge Collections and the Properties. The duties of the Servicer include:

- (a) the provision or procuring of property management services for the Issuer, including but not limited to collection of monies due from tenants and/or lessees of the Properties and the general maintenance, up-keeping, upgrading and renovating of the Properties if necessary or as instructed by the Asset Manager;

- (b) the collection of all rent, leases, maintenance charges and other payables relating to the Properties;
- (c) the payment of Rated Collections to the Rated Collection Account, Unrated Collections to the Unrated Collection Account and Bridge Collections to the Bridge Collection Account;
- (d) the provision on a quarterly basis to the Issuer, the Trustee, the Rating Agency and the Facility Agent, a report in respect of each Property summarising amongst others, the amount of Rated Collections, Unrated Collections and Bridge Collections and any other payments received, delinquency and default information, and the amount of maintenance, upkeep, renovation and upgrading spent on the Properties;
- (e) the keeping of records, books, accounts and data in relation to each Property;
- (f) procuring the provision of property management services for the Properties; and
- (g) the taking of appropriate action against such tenants where there has been any default with any of the terms of the relevant tenancy/lease agreements.

## **5. Administration Agreement**

The Administration Agreement has been entered into between the Issuer and the Administrator wherein the Issuer appoints the Administrator to manage the affairs and to provide certain corporate, secretarial and administrative services of the Issuer.

The Administrator's responsibilities include:

- (a) preparing and maintaining such books and records, including but not limited to the necessary registers prescribed by law, in Malaysia as may be required in the normal course of the business and as may be agreed between the parties and in order to comply with any laws or regulations of Malaysia and in such form and manner as may be agreed upon from time to time;
- (b) providing corporate secretarial services to the Issuer including, but not limited, to the filing of all necessary forms and statutory returns to comply with the Companies Act and the regulations made thereunder, preparing notices of and resolutions of shareholders and directors and preparing minutes of meetings of shareholders and directors; and
- (c) preparing and maintaining such accounting records in Malaysia as may be required in the normal course of the business.

## **6. Call Option Agreement**

The Call Option Agreement has been entered into between the Sponsor and the Issuer. Under the terms of the Call Option Agreement, the Issuer granted in favour of the Sponsor the Sponsor Call Option over the Properties which is exercisable at any time from the date of first issuance of MTNs under the MTN Programme. The Sponsor Call Option Period shall commence from the date the Sponsor Call Option is granted (but which shall only be exercisable after the first issue of MTNs under the MTN Programme) and expiring on the earlier of the following:

- (a) on the expiry of the MTN Programme; and
- (b) on satisfaction in full of all MTNs under the MTN Programme and subject to there not being allowed any further issue of MTNs under the MTN Programme.

## **B. ISSUE DOCUMENTS**

### **1. Trust Deed**

The Trust Deed has been entered into between the Issuer and the Trustee. Under the Trust Deed, the Trustee shall hold the benefit of the Trust Deed, the Security Documents, and all amounts received by it from the Issuer in trust for the Noteholders. The Trust Deed contains provisions to comply with the relevant guidelines of the SC prevailing at the point of execution of the Trust Deed.

### **2. Depository and Paying Agency Agreement**

The Depository and Paying Agency Agreement has been entered into between the Issuer, the Trustee, BNM and CIMB Investment Bank Berhad as the Lead Arranger. BNM requires parties to adopt its standard format. Essentially, it contains provisions dealing with the appointment of BNM as the central securities depository and the paying agent and the roles and obligations of the respective parties.

Under the Depository and Paying Agency Agreement, the Issuer appointed BNM to act as the depository and paying agent for the Notes. As the central securities depository, BNM shall hold in custody the Global Certificates of the Notes. As the paying agent, BNM shall make payments of Nominal Amount and interest in respect of the Notes.

### **3. Programme Agreement**

The Programme Agreement has been entered into between the Issuer, the Sponsor, the Facility Agent and the Lead Arranger. The Programme Agreement laid down amongst others the terms and conditions for the grant of the facility for the issue of Notes of up to the principal amount of RM2,000,000,000.00 under the MTN Programme (“Facility”), the conditions precedent to the issuance of the Notes, the purpose of the Facility and the utilization of the Notes proceeds, the obligations of and the representations and warranties to be given by the Issuer.

### **4. Calculation Agency Agreement**

The Calculation Agency Agreement has been entered into between the Calculation Agent, the Trustee and the Issuer for the appointment of the Calculation Agent upon the terms and subject to the conditions contained therein.

### **5. Sponsor Indemnity**

The Sponsor Indemnity has been executed by the Sponsor to fully indemnify the Issuer for costs and losses incurred and liabilities suffered notwithstanding the completion of the sale and registration of the transfer of the Properties by the independent vendors (namely vendors other than the Sponsor and/or and its related and associated entities) (the “**Independent Vendors**”) in favour of the Issuer and/or as a result of non-registration of the Properties into the name of the Issuer following full payment of the purchase consideration provided however that the Sponsor’s obligation and liability to indemnify the Issuer shall be subject to the following:

- (i) any payment by the Sponsor pursuant to the indemnity shall only be effected subject to the legal assignment by the Issuer in favour of the Sponsor of all the Issuer’s rights, title, benefits and interest in and to the relevant Sale and Purchase Agreements including without limitation all rights to pursue any action, proceeding suit or claim arising in relation to any of the rights of the Issuer under the relevant Sale and Purchase Agreements in respect of any and all breaches by the relevant Independent Vendors under the relevant Sale and Purchase Agreements and all

rights, title and interest in and to all monies and payments which may become due and payable to the Issuer under the relevant Sale and Purchase Agreements;

(ii) Sponsor's liability and/or obligation to indemnify the Issuer pursuant to the said letter of indemnity shall only arise:-

a) in case of due registration of transfer of the relevant Properties into the name of the Issuer if notwithstanding the due registration of transfer of the relevant Properties into the name of the Issuer, the Issuer nevertheless loses title in such Properties; or

b) in the case of non-registration of the Properties into the name of the Issuer notwithstanding full purchase consideration has been duly paid to the relevant Independent Vendors

1) if such non-registration is due to the insolvency of the relevant Independent Vendors; or

2) if such non-registration is not due to a default on the part of the Issuer;

subject that the relevant Independent Vendors and the Issuer shall have taken all requisite steps within their ability and control to rectify any technical error which prevents such non-registration;

and the Issuer would not have suffered such loss and cost if a due diligence process undertaken on the relevant Independent Vendors as Originators in a typical asset-backed securitisation transaction had in fact been carried out on such Independent Vendors in accordance with the ABS Guidelines.

(iii) Sponsor's liability and/or obligation to indemnify the Issuer pursuant to the Sponsor Indemnity shall in any event not exceed the amount paid by the Issuer for the relevant Property acquired from such Independent Vendor and the total transaction costs paid by the Issuer in relation to the acquisition transaction.

## 6. Sponsor Deposits Undertaking

The Sponsor Deposits Undertaking has been executed by the Sponsor undertaking to ensure that the:-

- (i) Rated Deposit Minimum Amount be maintained in the Rated Collection Account; and
- (ii) Unrated Deposit Minimum Amount be maintained in the Unrated Collection Account; and
- (iii) Bridge Deposit Minimum Amount be maintained in the Bridge Collection Account; and

The Sponsor Deposits Undertaking also includes an undertaking by the Sponsor to indemnify the Issuer and at all times keep the Issuer fully and completely indemnified from and against any losses, interest, penalties, deficiencies, damages, costs or expenses, liability, actions, proceedings, demands or claims or any other amounts (including but not limited to the vendor's fees on a solicitor and client basis) suffered, incurred or sustained by the Issuer due to a claim by a vendor or a third party or payable by the Issuer to a vendor or a third party arising out of or in connection with any termination of proposed acquisition of any Bridge Property.

## 7. Sponsor Junior Take-out MTNs Undertaking

The Sponsor Junior Take-out MTNs Undertaking has been executed by the Sponsor undertaking to ensure that the Junior MTNs for each Series is and will be subscribed by one or more of the Sponsor Group Entities at all times.

In addition, the Sponsor will irrevocably and unconditionally undertake and ensure or procure, as the case may be, that the Junior Take-out MTNs for each Series is and will be, *inter alia*, subject to the following:-



- (a) in the event any Senior Take-out MTNs of the relevant Category are Outstanding, the Sponsor will continue or procure that such Sponsor Group Entities shall continue to hold such Junior Take-out MTNs or transfer, sell or offer such Junior Take-out MTNs to any other Sponsor Group Entities only;
- (b) in the event there are no Outstanding Senior Take-out MTNs of the relevant Category, the Sponsor are permitted or such Sponsor Group Entities are permitted to transfer, sell or offer such Junior Take-out MTNs to persons falling within the relevant category of persons specified in Schedule 6 or Section 229(1)(b); read together with Schedule 9 or Section 257(3) of the CMSA as amended from time to time;
- (c) in the event that any Junior Take-out MTNs have been transferred or sold to an investor who is not a Sponsor Group Entity pursuant to sub-paragraph (b) directly above (“**Relevant Junior Take-out MTNs**”) but subsequently Senior Take-out MTNs of the relevant Category have been issued, the Sponsor undertake to:
  - (i) use their reasonable endeavours to purchase or procure any other Sponsor Group Entity to purchase the Relevant Junior Take-out MTNs from such investor provided always that such investor is a willing seller of the Relevant Junior Take-out MTNs; and
  - (ii) continue or procure such Sponsor Group Entity to continue to hold the Relevant Junior Take-out MTNs or transfer, sell or offer the Relevant Junior Take-out MTNs to any other Sponsor Group Entities only, provided that Senior Take-out MTNs of the relevant Category are Outstanding.

The Sponsor Junior Take-out MTNs Undertaking also includes an irrevocable and unconditional undertaking by the Sponsor to indemnify the Trustee and the noteholders of the Senior Take-out MTNs (“**Indemnified Persons**”) fully and completely indemnified from and against any losses, interest, penalties, deficiencies, damages, costs or expenses, liability, actions, proceedings, demands or claims or any other amounts suffered, incurred or sustained by any of the Indemnified Persons arising out of or in connection with any termination or breach of the terms and undertakings in the Sponsor Junior Take-out MTNs Undertaking save and except for such termination or breach arising from any fraud, gross negligence and wilful misconduct of the Trustee (acting on behalf of the noteholders).

## 8. Declaration of Trust for shares in Issuer

The Declaration of Trust for shares in the Issuer has been executed by TMF Trustees Malaysia Berhad, the registered holder of the shares in the Issuer, to hold the said shares on trust for the beneficiaries as stated therein.

## **C. SECURITY DOCUMENTS**

### **1. Debenture**

The Debenture has been created by the Issuer in favour of the Trustee. By the Debenture, the Issuer as beneficial owner has charged in favour of the Trustee for the benefit of the Noteholders by way of a first fixed and floating charge over all the Issuer's present and future property, undertakings and assets as security for the payment of all amounts due and owing to the Noteholders by the Issuer under the Trust Deed subject to the Priority and Security Sharing Agreement.

### **2. Transaction Documents Assignment**

The Transaction Documents Assignment has been executed by the Issuer in favour of the Trustee to hold for the benefit of the Noteholders. Pursuant to the Transaction Documents Assignment, the Issuer has assigned in favour of the Trustee as security trustee for the Noteholders all its rights, title and interest in the Transaction Documents (save and except for the Sale and Purchase Agreements) and all benefits accrued and to accrue to it thereunder together with all claims for damages thereunder, as security for the payment of all amounts due and owing to the Noteholders by the Issuer under the Trust Deed subject to the Priority and Security Sharing Agreement.

### **3. Deed of Assignment**

In respect of a Property where individual issue document of title has not been issued and the Issuer is the beneficial owner of the title, the Issuer will execute a Deed of Assignment in favour of the Trustee, for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Under the Deed of Assignment, the Issuer will assign to the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be, all the Issuer's rights, title and interest in and to the Property and all sale and purchase agreement(s) and other ancillary documents in relation to the Property, as security for the payment of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

### **4. Property Charge**

In respect of a Property where individual issue document of title has been issued and the Issuer is the legal owner of the Property, the Issuer will execute a Property Charge in favour of the Trustee, for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Under the Property Charge, the Issuer will charge to the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be, the Property, as security for the payment of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

### **5. Lease Charge**

In respect of a Property where individual issue document of title has been issued and the Issuer is the registered lessee or registered sub-lessee, the Issuer will execute a Lease Charge in favour of the Trustee, for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Under the Lease Charge, the Issuer will charge to the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be, the registered lease or registered sub-lease, as security for the payment of the Bridge MTNs Secured Amounts, the Rated

Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

**6. Bridge Designated Accounts Charge**

The Bridge Designated Accounts Charge is an agreement entered into by the Issuer in favour of the Trustee for the benefit of the Bridge MTNs Noteholders in respect of the creation of charges by the Issuer over the Bridge Assigned Moneys and the Bridge Designated Accounts and over all Permitted Investments out of such accounts as security for the payment of the aggregate of all Bridge MTNs Secured Amounts.

**7. Rated Take-out Designated Accounts Charge**

The Rated Take-out Designated Accounts Charge is an agreement entered into by the Issuer in favour of the Trustee for the benefit of the Rated Take-out MTNs Noteholders in respect of the creation of charges by the Issuer over the Rated Take-out Assigned Moneys and the Rated Take-out Designated Accounts and over all Permitted Investments out of such accounts as security for the payment of the aggregate of all Rated Take-out MTNs Secured Amounts.

**8. Unrated Take-out Designated Accounts Charge**

The Unrated Take-out Designated Accounts Charge is an agreement entered into by the Issuer in favour of the Trustee for the benefit of the Unrated Take-out MTNs Noteholders in respect of the creation of charges by the Issuer over the Unrated Take-out Assigned Moneys and the Unrated Take-out Designated Accounts and over all Permitted Investments out of such accounts as security for the payment of the aggregate of all Unrated Take-out MTNs Secured Amounts.

**9. Insurances Assignment**

The Insurances Assignment has been executed by the Issuer in favour of the Trustee to hold for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Pursuant to the Insurances Assignment, the Issuer has assigned in favour of the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be, all its rights, title and interest in the insurances and all proceeds and monies standing to the credit of the Issuer of whatever kind from whatever source received or to be received by the Issuer and/or are due and payable to the Issuer in respect of any of the insurances and all claims for damages in respect of any breach by any of the underwriters or brokers or insurance companies or other persons appointed by the Issuer in writing from time to time with whom any Insurance is effected, as security for the payment of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

**10. Tenancy/Lease Assignment**

The Tenancy/Lease Assignment has been executed by the Issuer in favour of the Trustee to hold for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Pursuant to the Tenancy/Lease Assignment, the Issuer has assigned in favour of the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be all its rights, title and interest as the lessor or landlord in the tenancy and lease agreements in relation to the Properties and all Rated Collections, Unrated Collections, Bridge Collections and all other revenue, income, rentals, proceeds and monies standing to the credit of the Issuer of whatever kind

and from whatever source received or to be received by the Issuer in respect of the tenancy and lease agreements in relation to the Properties, as security for the payment of Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

**11. Assignment of Tenancy**

The Assignment of Tenancy has been executed by the Issuer in favour of the Trustee to hold for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be. Pursuant to the Assignment of Tenancy, the Issuer has assigned in favour of the Trustee as security trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be all its rights, title and interest as the contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties, as security for the payment of Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement.

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## SECTION 14.0: TAX CONSIDERATIONS AND REGULATIONS

### 14.1 Tax Provision

All payments by the Issuer shall be made without withholding or deductions for or on account of any present or future tax, duty or governmental charge of whatsoever nature unless such withholding or deduction is required by applicable law. In that event, the Issuer or the Paying Agent (as the case may be) shall make such payment after such withholding or deduction has been made and notify the Trustee of, the amount so required to be withheld or deducted. Neither the Issuer nor the Paying Agent will be obliged to make any additional payments to holders of the Notes in respect of such withholding or deduction.

### 14.2 Tax Regulations

#### Income Tax/Withholding Tax

All interest/coupon/discount paid or credited to any individual, unit trust and listed closed-end fund in respect of debentures, other than convertible loan stock, approved by the SC are exempted from tax.

For Malaysian tax purposes, interest paid or credited to non-residents are generally subject to withholding tax at the rate of 15% (which may be reduced by applicable double tax treaties signed between Malaysia and the recipient's country of residence). Notwithstanding that, Paragraph 33A(b), Schedule 6 of the Income Tax Act 1967 exempts from tax the interest paid or credited to any company not resident in Malaysia, other than such interest accruing to a place of business in Malaysia of such company, in respect of Islamic securities or debenture issued in Ringgit Malaysia, other than convertible loan stock, approved by the SC. Accordingly, where the Notes are held by a non-resident company and the said conditions are met, no withholding tax will be applicable on the coupon payments to such Noteholders.

#### Real Property Gains Tax and Stamp Duty

Pursuant to Real Property Gains Tax (Exemption) Order 2001, exemption from real property gains tax (RPGT) is available in relation to gains on the disposal of assets by the Originator to the Issuer or gains arising from the repurchase of assets by the Originator from the Issuer for purpose of a securitisation transaction. However, in the event the Issuer disposes the Properties to a party other than the relevant Originator for the relevant Property, the Issuer will be subject to RPGT as follows:

Category of Disposal	RPGT Rate
For disposal within 3 years after the date of acquisition of the relevant Property	30%
For disposal in the 4 <sup>th</sup> year after the date of acquisition of the relevant Property	20%
For disposal in the 5 <sup>th</sup> year after the date of acquisition of the relevant Property	15%
For disposal in the 6 <sup>th</sup> or subsequent years from the date of acquisition of the relevant Property	10%

Pursuant to the Stamp Duty (Exemption) (No 12) Order 2001, specific instruments as set out in the said Order for the purpose of a securitisation transaction are exempted from stamp duty. In addition, there is also exemption from stamp duty on all instruments relating to the issue of, *inter alia*, debentures approved by the SC pursuant to and as set out in the Stamp Duty (Exemption) (No 23)

Order 2000. Accordingly, the Transaction Documents as defined in this Information Memorandum, which together constitute instruments employed for the purposes of the securitisation transaction and in the issuance of the Notes, should thereby be exempted from stamp duty pursuant to the aforesaid Orders.

### **14.3 Tax Status of the Issuer**

Section 8 of the Income Tax Act 1967 provides that the Issuer will be a tax resident of Malaysia as long as it is ensured that the management and control of its business or affairs is exercised in Malaysia during the basis period for a year of assessment. It is subject to tax on all income accruing or derived from Malaysia, including rental income and interest income. Deductible expenses include interest/coupon payments and discounts on the Notes wholly and exclusively incurred in the production of rental income. In addition, where the Issuer's rental income is viewed as income from a business source, the Issuer would be able to claim tax deductions on all outgoings and expenses wholly and exclusively incurred in the production of its gross income and where it has incurred qualifying expenditure on assets, it is entitled to claim capital allowances.

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## SECTION 15.0: SELLING RESTRICTIONS

### Malaysia

The Notes 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 falling within any of the categories of persons specified in:-

- (a) at the point of issuance of the Notes, Schedule 6 (or Section 229(1)(b)) and Schedule 7 (or Section 230(1)(b)); read together with Schedule 9 (or Section 257(3)) of the CMSA as amended from time to time; and
- (b) after the issuance of the Notes, Schedule 6 (or Section 229(1)(b)); read together with Schedule 9 (or Section 257(3)) of the CMSA as amended from time to time.

The Notes are tradeable and transferable subject to the Selling Restrictions set out herein.

### Senior Take-out MTNs of the Rated Category and the Unrated Category

In addition, if any offer or sale of Senior Take-out MTNs or any distribution of any document or other material in connection therewith is to be undertaken in any jurisdiction other than Malaysia, the applicable laws and regulations of such jurisdiction will also have to be complied with prior to any such offer, sale or distribution.

Sponsor Group Entities which are not Originators may subscribe for the Senior Take-out MTNs without any limit. Sponsor Group Entities who are Originators may subscribe for the Senior Take-out MTNs up to an aggregate limit of 10% of all MTNs issued. In addition, the Sponsor may subscribe for the non-investment grade rated Senior Take-out MTNs without any limit.

### General

No action has been or will be taken in any country or jurisdiction by the Issuer, the Sponsor, or the Lead Arranger & Lead Manager that would or is intended to permit a public offering or public invitation to subscribe for or purchase of the Notes on the possession or distribution of this Information Memorandum or any other offering materially relating to the Notes in any country or jurisdiction where action for any such purpose may be required. Persons into whose hands this Information Memorandum comes are required by the Issuer, the Sponsor and the Lead Arranger & Lead Manager to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession, distribute or publish this Information Memorandum or any other offering material relating to the Notes, in all cases at their own expense. Neither the Issuer nor the Lead Arranger & Lead Manager accept any responsibility or liability to any person in relation to the distribution or possession of this Information Memorandum in or from any such jurisdiction.

## SECTION 16.0: CONFLICT OF INTERESTS

- (i) CIMB Investment Bank Berhad is the Principal Adviser/Lead Arranger and its related company, CIMB Bank Berhad has granted credit facilities to the Sponsor and a bank guarantee facility to the Issuer. However, CIMB Investment Bank Berhad has confirmed that to the best of its knowledge, there is no conflict of interest or potential conflict of interest in its capacity as the Principal Adviser/Lead Arranger of the MTN Programme. Furthermore, the respective roles undertaken by CIMB Investment Bank Berhad and CIMB Bank Berhad will be governed by the relevant legal document which will set out the rights, duties and responsibilities of CIMB Investment Bank Berhad and CIMB Bank Berhad acting in each respective capacity;
- (ii) Public Investment Bank Berhad is the Lead Manager for the Take-out MTNs 2019-A(U) and its related company, Public Bank Berhad has granted credit facilities to the Sponsor. Save as disclosed above, after making enquiries as were reasonable, Public Investment Bank Berhad has confirmed that to the best of its knowledge, there is no conflict of interest or potential conflict of interest in its capacity as Lead Manager for the issuance of the Take-out MTNs 2019-A(U) under the MTN Programme.

Public Investment Bank Berhad and its banking group (“**Banking Group**”) are engaged in securities trading, securities brokerage, banking and financing activities as well as providing investment banking, investment and financial advisory services. In the ordinary course of its trading, brokerage, banking and financing activities, any member of the Banking Group may at any time hold positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or loans of any company that may be involved in this transaction.

As a result of their businesses generally acting independently of each other, there may be situations where parts of the Banking Group and/or their clients may have interests, or take actions, that conflict with the Issuer’s interests. In recognition of the foregoing, the Issuer agrees that the Banking Group is not required to restrict their activities as a result of this engagement, and may undertake any business activity without further consultation with or notification to the Issuer.

The conflict of interest or potential conflict of interest situations disclosed above are mitigated as Public Investment Bank Berhad has considered the factors involved and it believes that objectivity and independence, in carrying out its role as the Lead Manager for the Take-out MTNs 2019-A(U), have been and will be maintained at all times for the following reasons:-

- a. Public Investment Bank Berhad is a licensed financial institution regulated by BNM and the SC and is governed under, inter alia, the Financial Services Act 2013 and the Capital Markets and Services Act 2007. The appointment of Public Investment Bank Berhad in its capacity as the Lead Manager for the Take-out MTNs 2019-A(U) is in its ordinary course of business;
- b. The role of Public Investment Bank Berhad will be governed by the guidelines issued by the SC and the relevant agreements and documentation which shall clearly set out the rights, duties and responsibilities of Public Investment Bank Berhad in its capacity as Lead Manager for the Take-out MTNs 2019-A(U);
- c. Public Investment Bank Berhad is committed to upholding its professional integrity and responsibilities in relation to the MTN Programme; and



- d. the situations have been brought to the attention of the board of directors of the Issuer and it is hence fully aware of the same. Notwithstanding the potential conflict of interest situations, the board of directors of the Issuer is agreeable to proceed with the issuance of Take-out MTNs 2019-A(U) based on the present arrangement and terms.
- (iii) After making enquiries as were reasonable, Mapletree Property Management Pte Ltd has confirmed that, to the best of its knowledge, there is no conflict of interest or potential conflict of interest in its capacity as the Servicer in relation to the MTN Programme except as set out below.

The Sponsor is in the midst of setting up Semangkuk 2 Berhad to undertake an asset backed securitisation programme involving the purchase of various logistics properties and commercial/industrial warehouses properties from time to time, from vendors to be identified, and to fund each such purchase with the issue of one or more classes of medium term notes (“**SMK2 Securitisation Programme**”) pursuant to the RM5,000,000,000 nominal amount asset-backed medium term notes programme (“**SMK2 MTN Programme**”).

The MTN Programme was previously established by the Sponsor which has a structure similar to the SMK2 Securitisation Programme. The MTN Programme and the SMK2 MTN Programme shall be collectively referred to as the “**MTN Programmes**”.

The Servicer has been appointed by both Semangkuk 2 Berhad and the Issuer (together, the “**Issuers**”) as the servicer in relation to the SMK2 MTN Programme and the MTN Programme under the Issuer respectively. Under the terms of its respective appointment, the Servicer is responsible for providing or procuring property management services for both Issuers, including but not limited to collection of monies due from tenants and/or lessees of the properties and the general maintenance, up-keeping, upgrading and renovating of the properties if necessary or as instructed by the asset manager. The Servicer has appointed or will appoint a licensed property management company to undertake such property management services in Malaysia.

Further, the Servicer may be appointed by any issuer to be set up by the Sponsor in relation to asset backed securitisation programmes, under similar terms as its current appointment by the Issuers in the future.

In view of the above, there may be circumstances in which the Servicer may inadvertently favour one issuer over the other when providing leasing services together with the licensed property management company, to the Issuers.

However, the conflict of interest or potential conflict of interest situations disclosed above is mitigated whereby in providing leasing services together with the licensed property management company, the Servicer will take into consideration the tenants’ requirements, including the location and rental rates of the leasing space, the specifications for the leasing space, and whether customisation of the leasing space is required by the tenant. Ultimately, the tenants will decide on which property and location best suits their needs and operations, and the Servicer will allocate the available leasing space based on the tenants’ decision.

- (iv) After making enquiries as were reasonable, Mapletree Malaysia Management Sdn Bhd has confirmed that, to the best of its knowledge, there is no conflict of interest or potential conflict of interest in its capacity as the Asset Manager in relation to the MTN Programme under the Issuer except as set out below.

The Sponsor is in the midst of setting up Semangkuk 2 Berhad to undertake the SMK2 Securitisation Programme pursuant to the SMK2 MTN Programme.

The MTN Programme was previously established by the Sponsor which has a structure similar to the SMK2 Securitisation Programme. The MTN Programme and the SMK2 MTN Programme shall be collectively referred to as the “**MTN Programmes**”.

The Asset Manager has been appointed by both Semangkuk 2 Berhad and the Issuer (together, the “**Issuers**”) in relation to the SMK2 MTN Programme and MTN Programme under the Issuer respectively. Under the terms of its respective appointment, the Asset Manager is responsible for providing asset management services to both the Issuers, including but not limited to identifying asset acquisition opportunities, assisting in the acquisition of properties for the Issuers, identifying asset disposal opportunities and assisting in the disposal of properties for the Issuers.

Further, the Asset Manager may be appointed by any issuer to be set up by the Sponsor in relation to asset backed securitisation programmes, under similar terms as its current appointment by the Issuers in the future.

However, the conflict of interest or potential conflict of interest situations disclosed above is mitigated whereby in evaluating and allocating potential acquisitions and disposals as part of its asset management services, the Asset Manager will take into consideration a number of factors, including the purchase or disposal consideration for the property; and in the case of the potential acquisitions, the available outstanding limit on the notes issuance under the MTN Programmes, as well as the identity of the originator/vendor and whether the originator/vendor of the property is commercially agreeable to provide certain confirmations as may be required pursuant to the MTN Programmes; and in the case of potential disposals, whether the terms under the relevant MTN Programme would allow for disposal of the property at the point in time.

#### **Acknowledgment of conflict of interest by Issuer’s board of directors**

The Issuer and its board of directors have acknowledged and are fully informed of and are aware of the potential conflict of interest mentioned above and that having considered the potential conflict of interest situations mentioned above, has agreed to proceed with the Securitisation Programme based on the present terms and conditions.

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## **SECTION 17.0: WAIVERS GRANTED BY THE SECURITIES COMMISSION**

The Issuer has on 11 May 2007 and 19 December 2007 obtained from the Securities Commission a waiver from complying with paragraphs 3.01 (definition of the term “Originator”), 4.01(3) (a), 5.04 and 11.01 (h) in the ABS Guidelines and with paragraph 7.02 of the PDS Guidelines as set out in Appendix 1.

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## SECTION 18.0: DEFINITIONS

Unless otherwise defined herein or where the context requires otherwise, the following terms used in this Information Memorandum shall have the meanings set out below:

- “ABS Guidelines”** : the Guidelines on the Offering of Asset-Backed Securities issued by the Securities Commission (Revised Edition dated 26 July 2004);
- “Acceleration Notice”** : a notice in writing issued by the Trustee to the Issuer under the Trust Deed declaring that an Event of Default has occurred and the relevant Security Documents are immediately enforceable;
- “Administration Agreement”** : the agreement entered into between the Issuer and the Administrator for the provision by the Administrator of certain corporate secretarial services to the Issuer and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Administrator”** : TMF Global Services (Malaysia) Sdn. Bhd. (Registration No. 199801007416 (463543-D)) a company incorporated in Malaysia and having its registered address at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur including any successors-in-title, assigns and any successors appointed in its capacity as administrator;
- “Aggregate Customers’ Securities Account”** : the account maintained by a SSDS Participant with BNM for the Noteholders who are not members of RENTAS;
- “Asset Manager”** : Mapletree Malaysia Management Sdn Bhd (Registration No. 200401033310 (671818-X)), a company incorporated in Malaysia and having its registered office at Suite 12.05, Level 12, Centrepoint North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur including any successors-in-title, assigns and any successors appointed in its capacity as asset manager;
- “Asset Management Agreement”** : the agreement executed between the Issuer, the Asset Manager and the Trustee for the provision by the Asset Manager to the Issuer of certain asset management services in respect of the Properties and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “BNM”** : Bank Negara Malaysia, a body corporate established under the Central Bank of Malaysia Act, 1958 (as repealed by the Central Bank of Malaysia, 2009);
- “Bridge Assigned Moneys”** : collectively, all amounts from time to time and at any time standing to the credit of all the Bridge Designated Accounts and all Permitted Investments made from the funds in any and all of the Bridge Designated Accounts and all income earned in such Permitted Investments from time to time and at any time, which pursuant to the Bridge Designated Accounts Charge are charged and assigned in favour of the Trustee, as trustee for the Bridge MTNs Noteholders, as security for the payment of the aggregate of all Bridge MTNs Secured Amounts;

- “Bridge Collection Account”** : the bridge collection account is describe more particularly in the section *“Programme Summary”* with the heading *“Bridge Designated Accounts”*;
- “Bridge Collections”** : proceeds derived from the Bridge Properties including rental and/or lease proceeds, security and rental deposits and insurance proceeds;
- “Bridge Deposit Minimum Amount”** : a minimum amount of 40% of the aggregate of all security and rental deposits of the Bridge Properties;
- “Bridge Designated Accounts”** : collectively, the Bridge Collection Account and the Bridge Disbursement Account and reference to “Bridge Designated Account” shall mean each or any one of them;
- “Bridge Designated Accounts Charge”** : the agreement executed between the Issuer and the Trustee in respect of the creation of charges and assignment by the Issuer over all of the Issuer’s present and future rights, title, benefits and interests in and to the Bridge Assigned Moneys and the Bridge Designated Accounts in favour of the Trustee, as trustee for the holders of the Bridge MTNs, as security for the payment of the aggregate of all Bridge MTNs Secured Amounts and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Bridge Disbursement Account”** : the bridge disbursement account is describe more particularly in the section *“Programme Summary”* with the heading *“Accounts”* under the section *“Bridge Disbursement Account”*;
- “Bridge Disposal Event”** : the disposal of the Bridge Properties by the Trustee upon the instruction of the Bridge MTNs Noteholders, if:
- (a) all Senior Take-out MTNs have been repaid pursuant to an Early Disposal Event; or
  - (b) all Take-out Properties have been disposed; and no subsequent issue of new Senior Take-out MTNs is effected within a period of eighteen (18) months;
- “Bridge MTNs”** : the subordinated bridge medium term notes issued to, inter alia, bridge finance the purchase of the Properties and reference to a “Bridge MTN” shall mean each or any one of them;
- “Bridge MTNs Noteholders”** : the Noteholders of the Bridge MTNs;
- “Bridge MTNs Secured Amounts”** : with respect to the Bridge MTNs, at any time, the aggregate of the Outstanding Face Amount, Coupon, default interest, if any, and all amounts whatsoever which may become due and payable by the Issuer under the Bridge MTNs or otherwise outstanding under the Bridge MTNs Security;
- “Bridge MTNs Security”** : collectively, the Property Charge, the Lease Charge, the Deed of Assignment, the Tenancy/Lease Assignment, the Assignment of Tenancy and the Insurances Assignment all in relation to the Bridge Properties and the Bridge Designated Accounts Charge subject to the provisions of the Priority and Security Sharing Agreement;

- “Bridge Properties”** : the Properties which acquisitions thereof are financed solely by the Bridge MTNs and more particularly described in the Priority and Security Sharing Agreement and reference to “Bridge Property” shall mean each or any one of them;
- “Bridge Financing”** : has the meaning set out in the section “*Programme Summary*” under the section “*External Financing*”;
- “Business Day”** : a day (other than a public holiday (gazetted or ungazetted), Saturday and Sunday) on which financial institutions licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013 are open for business in Kuala Lumpur subject to the Code;
- “Calculation Agency Agreement”** : the agency agreement executed between the Calculation Agent, the Trustee and the Issuer for the appointment of the Calculation Agent upon the terms and subject to the conditions therein contained and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Calculation Agent”** : CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur including any successors-in-title, assigns and any successors appointed in its capacity as calculation agent;
- “Call Option Agreement”** : the call option agreement executed between the Issuer and the Sponsor wherein the Issuer shall grant a call option to the Sponsor in relation to the Properties to be exercisable at any time during the Sponsor Call Option Period and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Categories”** : collectively, the three (3) categories of MTNs, namely:
- (a) Bridge MTNs;
  - (b) Rated Category;
  - (c) Unrated Category
- and reference to a “Category” shall mean each or any one of them;
- “Central Securities Depository”** : BNM who, for purposes of carrying out its functions, duties and obligations under the CSDPAR as a central securities depository, has appointed PayNet to act as its agent, in its capacity as authorised depository for the Notes or any successor in such capacity;
- “CMSA”** : Capital Markets and Services Act, 2007, as amended from time to time;
- “Code”** : collectively,
- (a) the Operational Procedures For Malaysian Ringgit Settlement in RENTAS;
  - (b) the Participation And Operation Rules For Payments And Securities

Services;

- (c) the Operational Procedures For Securities Services;
- (d) the Central Securities Depository and Paying Agency Rules; and/or
- (e) any other relevant rules, guidelines, codes and directives, issued by BNM and/or PayNet from time to time;

as modified or revised or substituted from time to time;

- “Companies Act”** : the Companies Act, 1965 (which has been repealed and replaced with the Companies Act, 2016, as amended from time to time and applies where applicable in this Information Memorandum);
- “Coupon”** : the interest payable in respect of the Notes from time to time under the MTN Programme based on the nominal value of the Notes;
- “Coupon Payment Date”** : the date on which coupon is payable under any Note subject to the terms of that Note and subject to the provisions of the Code;
- “Coupon Rate”** : in relation to a Note, the rate of interest payable in respect of that Note as provided in the Global Certificate or Definitive Certificate, as the case may be;
- “CSDPAR”** : the Central Securities Depository and Paying Agency Rules issued by PayNet as may be modified or revised or substituted from time to time;
- “Debenture”** : the debenture created by the Issuer in favour of the Trustee over the present and future property, undertaking, assets and rights of the Issuer, as security for payment of the aggregate of all the Secured Amounts subject to the Priority and Security Sharing Agreement;
- “Deed of Assignment”** : in relation to a Property where individual issue document of title has not been issued and the Issuer is the beneficial owner of the title, a deed of assignment executed or to be executed by the Issuer in favour of the Trustee assigning to the Trustee to hold for the benefit of the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders or the Unrated Take-out MTNs Noteholders, as the case may be, all the rights, benefits, title and interest in, and to the Property and all sale and purchase agreement(s) and other ancillary documents in relation to the Property as security for payment of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the Priority and Security Sharing Agreement and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Definitive Certificate”** : the Definitive Certificates in respect of the Notes, each substantially in the form set out in the First Schedule (Part II) of the Trust Deed and references to “Definitive Certificate” means any one thereof;
- “Depository and Paying Agency Agreement”** : the agreement entered into between (1) the Issuer; (2) the Trustee; (3) the Central Securities Depository and Paying Agent; and (4) the Lead Arranger whereby the Issuer has appointed BNM to be the central securities depository

and the paying agent for the Notes upon the terms and subject to the conditions therein contained;

- “Depository Procedures”** : the procedures of the Central Securities Depository for transactions in the Notes and for settlement of all payments to the Noteholders, as provided in the CSDPAR and the Code, where applicable;
- “Disposal of Rated Properties”** : the right by the Issuer to dispose of any Rated Take-out Properties as set out in section “*Programme Summary*” under the heading “*Disposal of Properties*” under the section “*Disposal of Properties and Call Option*”;
- “Disposal of Unrated Properties”** : the right by the Issuer to dispose of any Unrated Take-out Properties as set out in section “*Programme Summary*” under the heading “*Disposal of Properties*” under the section “*Disposal of Properties and Call Option*”;
- “Early Disposal Events”** : the events as set out in section “*Programme Summary*” under the heading “*Notes Issuance*” under the section “*Early Disposal Events*”;
- “Event of Default”** : any of the events of default more particularly described in the section “*Programme Summary*”;
- “Expected Maturity Date”** : in relation to any Take-out MTN, the earlier of: (i) the Coupon Payment Date specified in the relevant global certificate as the expected maturity date of the Take-out MTN wherein the outstanding Face Amount is expected to be redeemed; or (ii) upon declaration of an Early Disposal Event, as the case may be, but so that:
- (a) if the Expected Maturity Date of any Take-out MTN would otherwise be a day which is not a Business Day, it shall be the next succeeding Business Day or, if that Business Day falls in the following month, the preceding Business Day or such other date as may be prescribed by the Code from time to time; and
  - (b) no Expected Maturity Date of any Take-out MTN shall fall after the tenor of the MTN Programme;
- “External Financing”** : has the meaning set out in the section “*Programme Summary*” under the section “*External Financing*”;
- “Face Amount”** : in relation to any Note, the amount which will, on the Legal Maturity Date thereof, become due in respect of that Note;
- “Facility Agent”** : CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur including any successors-in-title, assigns and any successors appointed in its capacity as facility agent;
- “FAST”** : the Fully Automated System for Issuing/Tendering as varied, upgraded or substituted from time to time;
- “Global Certificates”** : the Global Certificates in respect of the Notes, each substantially in the form set out in the First Schedule (Part I) of the Trust Deed and references to



“Global Certificate” means any one thereof;

- “Insurances Assignment”** : an assignment executed by the Issuer in favour of the Trustee to hold for the benefit of the Noteholders assigning all the rights, benefits, title and interest in, to and under the insurance policies issued from time to time in relation to the Properties as security for payment of the aggregate of all Secured Amounts subject to the Priority and Security Sharing Agreement and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Issue Date”** : in relation to any Notes, the date of issue of such Notes which date shall be a Business Day;
- “Issue Documents”** : collectively,
- (a) the Trust Deed;
  - (b) the Programme Agreement;
  - (c) the Depository and Paying Agency Agreement;
  - (d) the Calculation Agency Agreement;
  - (e) the Security Documents including:
    - (i) Property Charge;
    - (ii) Lease Charge
    - (iii) Deed of Assignment;
    - (iv) Tenancy/Lease Assignment;
    - (v) Assignment of Tenancy;
    - (vi) Insurances Assignment;
    - (vii) Bridge Designated Accounts Charge;
    - (viii) Rated Take-out Designated Accounts Charge;
    - (ix) Unrated Take-out Designated Accounts Charge;
    - (x) Debenture; and
    - (xi) Transaction Documents Assignment.
- (collectively, the “Security”)

and references to “Issue Document” means any one of them and includes any amendments, variations and/or supplementals made or entered into from time to time in respect of any such document and any other documents hereafter agreed by the Issuer and the Lead Arranger in connection with the Notes to be added to this definition and references to “Issue Documents” shall mean each or any of them;

- “Issuer” or “Purchaser”** : Semangkuk Berhad (Registration No. 200701018605 (776616-T)), a company incorporated in Malaysia and having its registered office at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur including its successors-in-title and permitted assigns;
- “Joint Lead Arrangers”** : the original joint lead arrangers comprising:
- (a) CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur; and
  - (b) Standard Chartered Bank Malaysia Berhad (Registration No.

198401003274 (115793-P)), a company incorporated in Malaysia and having a principal place of business at Level 11, Menara Standard Chartered, 30 Jalan Sultan Ismail, 50250 Kuala Lumpur who withdrew from its roles as a joint principal adviser and a joint lead arranger effective 29 June 2016;

- “Junior Take-out MTNs”** : the junior ranking take-out medium term notes under the Rated Category and the Unrated Category issued to, inter alia, finance the purchase of the Properties and/or refinance the Bridge MTNs and reference to a “Junior Take-out MTN” shall mean each or any one of them;
- “Lead Arranger”** : CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur including any successors-in-title, assigns and any successors appointed in its capacity as lead arranger;
- “Legal Maturity Date”** : in relation to any Note, the Coupon Payment Date specified for the redemption of the Outstanding Face Amount of that Note but so that:
- (a) if the Legal Maturity Date of any Note would otherwise be a day which is not a Business Day, it shall be the next succeeding Business Day or, if that Business Day falls in the following month, the preceding Business Day or such other date as may be prescribed by the Code from time to time; and
  - (b) no Legal Maturity Date of any Note shall fall after the tenor of the MTN Programme;
- “MTNs” or “Notes”** : collectively, the Bridge MTNs and the Take-out MTNs and reference to a “MTN” or “Note” shall mean each or any one of them;
- “MTN Programme”** : the programme for the issue of the Notes for up to the nominal value of RM2,000.0 million which shall have a tenor not exceeding twenty (20) years from the date of first issuance under the programme;
- “Nominal Amount”** : in relation to any Note, the Nominal Amount as stated on the face of such Note;
- “Noteholders”** : collectively, the several persons who are for the time being the beneficial owners of the Outstanding Notes save that, in respect of any Notes represented by the Global Certificates:
- (a) each SSDS Participant who has for the time being a particular nominal amount of the Notes credited to its Own Securities Account in the records of RENTAS; and
  - (b) in the case where a particular nominal amount of the Notes is credited to an Aggregate Customers’ Securities Account, the several persons being the beneficial owners of those Notes as evidenced by the records maintained by the SSDS Participant and authenticated in a manner satisfactory to the Trustee,

shall be deemed to be and shall be treated as the holders of the Notes in respect

of that nominal amount for all purposes of the Relevant Documents, and references to a “Noteholder” or “Holder” means each or any one of them;

- “Originators”** : the owner/vendor of the Properties or as the case may be, the originator as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties and reference to “Originator” shall mean each or any one of them;
- “Outstanding”** : at any time, in relation to any MTN, such MTN issued by the Issuer other than:
- (a) a MTN that have been redeemed in accordance with the relevant Conditions;
  - (b) a MTN in respect of which the date for redemption has occurred and the redemption monies have been duly paid to the Trustee or to the Paying Agent as provided herein and remain unconditionally available for payment against presentation and surrender of the global or definitive certificates;
  - (c) a MTN that have become void or claims which have become prescribed under Clause 38 of the Trust Deed;
  - (d) a MTN that have been purchased and cancelled or in respect of which the Issuer shall have been discharged in accordance with the Conditions; and
  - (e) a MTN which is mutilated or defaced certificates or that have been surrendered in exchange for replacement certificates and (for the purpose only of determining how many MTNs are Outstanding MTNs and without prejudice to their status for any other purpose) those certificates alleged to have been lost, stolen or destroyed and in respect of which replacement certificates have been issued;
- “Own Securities Account”** : the account maintained by a SSDS Participant with BNM for the Noteholders owned or belonging to that SSDS Participant;
- “Paying Agent”** : BNM, who for purposes of carrying out its functions, duties and obligations under the CSDPAR as a paying agent, has appointed PayNet, in its capacity as paying agent in relation to the Notes or any successor in such capacity;
- “PayNet”** : Payments Network Malaysia Sdn Bhd (Registration No. 200801035403 (836743-D)), a wholly owned subsidiary of BNM and incorporated in Malaysia under the Companies Act and includes its successors in title, permitted assigns and any successor appointed in such capacity;
- “PDS Guidelines”** : the Guidelines on the Offering of Private Debt Securities issued by the Securities Commission (Revised Edition dated 26 July 2004) which was prevailing at the point of the SC approval and the establishment of the MTN Programme;
- “Permitted** : the permitted investments referred to in the section *“Programme Summary”*

<b>Investments”</b>	with the heading “ <i>Permitted Investments</i> ”;
<b>“Priority and Security Sharing Agreement”</b>	: the agreement executed between the Issuer and the Trustee regulating the priority of the Security Documents and the Secured Assets between the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders and the Unrated Take-out MTNs Noteholders and includes any amendments, variations and/or supplementals made or entered into from time to time;
<b>“Programme Agreement”</b>	: the programme agreement executed between the Issuer, the Sponsor, the Facility Agent and the Lead Arranger and includes any amendments, variations and/or supplementals made or entered into from time to time;
<b>“Property Charge”</b>	: in relation to a Property where individual issue document of title has been issued and the Issuer is the legal owner of the title, a first legal charge over the Property executed or to be executed by the Issuer in favour of the Trustee, as trustee for the Bridge MTNs Noteholders, the Rated Take-out MTNs Noteholders and the Unrated Take-out MTNs Noteholders, as the case may be, as security for the payment of the aggregate of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts or the Unrated Take-out MTNs Secured Amounts, as the case may be, subject to the provisions of the Priority and Security Sharing Agreement and includes any amendments, variations and/or supplementals made or entered into from time to time;
<b>“Properties”</b>	: the various commercial/industrial warehouses and logistic properties in Malaysia or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties acquired or to be acquired by the Issuer from time to time under the Securitisation Programme and reference to “Property” shall mean each or any one of them;
<b>“Rating Agency”</b>	: RAM Rating Services Berhad (Registration No. 200701005589 (763588-T)) including its assigns and successors-in-title or such other rating agency recognised by BNM or the SC and approved by the Trustee;
<b>“Rated Category Security”</b>	: collectively, the Property Charge, the Lease Charge, the Deed of Assignment, the Tenancy/Lease Assignment, the Assignment of Tenancy and the Insurances Assignment all in relation to the Rated Take-out Properties and the Rated Take-out Designated Accounts Charge subject to the provisions of the Priority and Security Sharing Agreement;
<b>“Rated Collection Account”</b>	: the collection account for the Rated Category as described more particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Collection Accounts</i> ”;
<b>“Rated Collections”</b>	: proceeds derived from the Rated Take-out Properties including rental and/or lease proceeds, security and rental deposits and insurance proceeds;
<b>“Rated Disbursement Account”</b>	: the disbursement account for the Rated Category as described more particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Disbursement Accounts</i> ”;
<b>“Rated Debt Service</b>	: the debt service reserve account for the Rated Category as described more

<b>Reserve Account”</b>	particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Debt Service Reserve Accounts</i> ”;
<b>“Rated Deposit Minimum Amount”</b>	: a minimum amount of 70% of the aggregate of all security and rental deposits of the Rated Take-out Properties;
<b>“Rated Escrow Account”</b>	: the escrow account for the Rated Category as described more particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Escrow Accounts</i> ”;
<b>“Rated Financing”</b>	: has the meaning set out in the section “ <i>Programme Summary</i> ” under the section “ <i>External Financing</i> ”;
<b>“Rated Series”</b>	: all rated Senior Take-out MTNs and unrated Junior Take-out MTNs (if any) issued in the same series as the rated Senior Take-out MTNs;
<b>“Rated Take-out Assigned Moneys”</b>	: collectively, all amounts from time to time and at any time standing to the credit of all the Rated Take-out Designated Accounts and all Permitted Investments made from the funds in any and all of the Rated Take-out Designated Accounts and all income earned in such Permitted Investments from time to time and at any time, which pursuant to the Rated Take-out Designated Accounts Charge are charged and assigned in favour of the Trustee, as trustee for the holders of the Take-out MTNs of the Rated Category, as security for the payment of the aggregate of all Rated Take-out MTNs Secured Amounts;
<b>“Rated Take-out Designated Accounts”</b>	: collectively, the Rated Collection Account, the Rated Disbursement Account, the Rated Debt Service Reserve Account and the Rated Escrow Account and reference to “Rated Take-out Designated Account” shall mean each or any one of them;
<b>“Rated Take-out Designated Accounts Charge”</b>	: the agreement executed between the Issuer and the Trustee in respect of the creation of charges and assignment by the Issuer over all of the Issuer’s present and future rights, title, benefits and interests in and to the Rated Take-out Assigned Moneys and the Rated Take-out Designated Accounts in favour of the Trustee, as trustee for the holders of the Rated Take-out MTNs, as security for the payment of the aggregate of all Rated Take-out MTNs Secured Amounts and includes any amendments, variations and/or supplementals made or entered into from time to time;
<b>“Rated Take-out MTNs” or “Rated Category”</b>	: collectively, the rated Senior Take-out MTNs and the unrated Junior Take-out MTNs of the same Category and reference to a “Rated Take-out MTN” shall mean each or any one of them;
<b>“Rated Take-out MTNs Secured Amounts”</b>	: with respect to the Rated Take-out MTNs, at any time, the aggregate of the Outstanding Face Amount, Coupon, default interest, if any, and all amounts whatsoever which may become due and payable by the Issuer under the Rated Take-out MTNs or otherwise outstanding under the Rated Category Security;
<b>“Rated Take-out MTNs Noteholders”</b>	: the Noteholders of the Rated Take-out MTNs;

- “Rated Take-out Properties”** : the Properties which acquisitions thereof are financed and/or refinanced by any Rated Take-out MTNs and more particularly described in the Priority and Security Sharing Agreement and reference to a “Rated Take-out Property” shall mean each or any one of them;
- “Rated Valuation Percentage”** : has the meaning set out in the section “*Debt Service Reserve Accounts*”;
- “Refinanced Properties”** : the property as set out in the section “*The Refinanced Properties and the Cash Flow Forecasts and Projections*”;
- “Relevant Documents”** : collectively, the Transaction Documents, the Issue Documents, the Sponsor Indemnity, the Sponsor Deposits Undertaking and the Sponsor Junior Take-out MTNs Undertaking, further details of which are set out in this Information Memorandum;
- “RENTAS”** : the scripless book-entry securities trading and funds transfer system known as Real Time Electronic Transfer of Funds and Securities maintained and operated by BNM, to inter alia, manage all payment transactions in respect of the scripless securities as varied, amended or substituted from time to time by BNM;
- “RM” and “sen”** : Ringgit Malaysia and sen, respectively;
- “Sale and Purchase Agreements”** : the sale and purchase agreements executed or to be executed between the sellers and the Issuer as purchaser, from time to time, with respect to the sale by the sellers and purchase by the Issuer of the Properties or, as the case may be, the sale by the Originator(s) of its rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties and purchase by the Purchaser of such rights, title and interest under the Securitisation Programme and reference to “Sale and Purchase Agreement” shall mean each or any one of them;
- “SC” or “Securities Commission”** : Securities Commission Malaysia;
- “Secured Amounts”** : the aggregate of the Bridge MTNs Secured Amounts, the Rated Take-out MTNs Secured Amounts and the Unrated Take-out MTNs Secured Amounts;
- “Secured Assets”** : all of the property, assets and rights of the Issuer or any other person which is or is to be assigned, transferred, pledged, mortgaged or charged to, or held by, or otherwise made subject to any Security Interest in favour of the Trustee for the benefit of the Noteholders to be held upon the terms of the Security Documents as security for the payment of the Secured Amounts or any part thereof subject to the Priority and Security Sharing Agreement;
- “Securitisation Programme”** : the acquisition by the Issuer, from time to time, of the Properties or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to the Properties from the Originators and the issuance of the Notes under the MTN Programme, from time to time, to inter alia, finance the acquisition of the Properties;

- “Security Documents”** : collectively, the Bridge MTNs Security, the Rated Category Security, the Unrated Category Security and the Shared Security and such other security documents executed from time to time to secure repayment and payment of the Secured Amounts or any part thereof, and references to “Security Document” include references to any one or more of them;
- “Selling Restrictions”** : has the meaning set out in the section “*SELLING RESTRICTIONS*”;
- “Senior Costs”** : all accrued and unpaid fees and expenses owing by the Issuer to all service providers (including that of the Trustee, the Administrator, the Rating Agency, the Facility Agent, the Share Trustee and the Calculation Agent) to the transaction;
- “Senior Take-out MTNs”** : collectively, the senior ranking take-out medium term notes under the Rated Category and the Unrated Category comprising of a combination of one or more classes issued to, inter alia, finance the purchase of the Properties and/or refinance the Bridge MTNs and reference to a “Senior Take-out MTN” shall mean each or any one of them;
- “Series”** : a series of Take-out MTNs to be issued under the MTN Programme being either a Rated Series or an Unrated Series and reference to a “Series” shall mean each of any one of them;
- “Servicer”** : Mapletree Property Management Pte Ltd (Company No. 200504094Z) a company incorporated in Singapore and having its registered address at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438 including any successors-in-title, assigns and any successors appointed in its capacity as servicer;
- “Servicer Event of Default”** : the events as set out in the section “*Programme Summary*” under the heading “*Servicing*” under the section “*Servicer Default*”;
- “Servicer Fee”** : has the meaning set out in the section “*Programme Summary*” with the heading “*Servicing*” under the section “*Servicer Fee*”;
- “Servicing Agreement”** : the servicing agreement executed between the Issuer, the Servicer and the Trustee for the provision by the Servicer of certain collection and property management services in respect of the Collections and the Properties to the Issuer and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Share Trustee”** : TMF Trustees Malaysia Berhad (Registration No. 200301008392 (610812-W)), a company incorporated in Malaysia and having its registered address at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P Ramlee, 50250 Kuala Lumpur in its capacity as share trustee which expression includes its successors, permitted assigns and any other trustee in such capacity;
- “Shared Security”** : the security as set out in section “*Programme Summary*” under the heading “*Notes Issuance*” under the section “*Security*”;
- “Special Resolution”** : means in respect of a meeting of the Noteholders or the Noteholders of a

particular class or Category of Notes, a resolution passed at a meeting of the holders of the Notes or that class or Category of Notes duly convened and held in accordance with the provisions contained in these presents:-

- (i) in the case of voting by a show of hands, by a majority consisting of not less than seventy-five percent (75%) in number of the persons voting thereon; or
- (ii) in the case of a poll, by a majority in number of the persons voting thereon who in aggregate hold not less than seventy-five percent (75%) of the votes given on such poll;

<b>“Sponsor”</b>	: MapletreeLog (M) Holdings Sdn Bhd (Registration No. 200501005172 (682219-X)), a company incorporated in Malaysia and having its registered office at Suite 12.05, Level 12, Centrepont North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur including its successors-in-title or permitted assigns;
<b>“Sponsor Call Option”</b>	: the grant by the Issuer to the Sponsor of the option to buyback all (but not any or part of) the Properties upon the terms and subject to the conditions contained in the Call Option Agreement;
<b>“Sponsor Call Option Period”</b>	: the period commencing from and including the date of first issuance of the MTNs under the MTN Programme and expiring on the earlier of the following: <ul style="list-style-type: none"><li>(a) on the expiry of the MTN Programme;</li><li>(b) on satisfaction in full of all MTNs under the MTN Programme and subject to there not being allowed any further issue of MTNs under the MTN Programme;</li></ul>
<b>“Sponsor Group Entities”</b>	: the Sponsor’s group of companies i.e. Mapletree Logistics Trust, its subsidiaries and its associated companies, each a “Sponsor Group Entity”;
<b>“Sponsor Indemnity”</b>	: the indemnity provided by the Sponsor to the Issuer as more particularly described in Section 13 (B) of this Information Memorandum;
<b>“Sponsor Deposits Undertaking”</b>	: the undertaking provided by the Sponsor to the Trustee and the Issuer in relation to the deposits collected pursuant to the Properties as more particularly described in Section 13 (B) of this Information Memorandum;
<b>Sponsor Junior Take-out MTNs Undertaking</b>	: the undertaking provided by the Sponsor to the Trustee and the Issuer in relation to the Junior Take-out MTNs as more particularly described in Section 13 (B) of this Information Memorandum;
<b>“SSDS Participant”</b>	: a member of RENTAS who is approved to open and maintain a securities account in the Scripless Securities Depository System for its own account and/or its customers;
<b>“Take-out MTNs”</b>	: collectively, the Notes of the Rated Category and the Unrated Category;
<b>“Take-out MTNs 2019-A(U)”</b>	: Take-out MTNs of the Unrated Category as described in Section 10 of this Information Memorandum;



- “Tenancy/Lease Assignment”** : an assignment executed by the Issuer in favour of the Trustee to hold for the benefit of the Noteholders assigning all the rights, benefits, title and interest as the lessor or landlord in, to and under the tenancy and lease agreements in relation to the Properties as security for payment of the aggregate of all Secured Amounts subject to the Priority and Security Sharing Agreement and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Transaction Counterparty”** : any party to any of the Transaction Documents other than the Issuer;
- “Transaction Documents”** : the Sale and Purchase Agreements, the Asset Management Agreement, the Servicing Agreement, the Administration Agreement, the Call Option Agreement and all other agreements and documents delivered in connection with the transactions contemplated thereby and where the context requires, any of such documents and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Transaction Documents Assignment”** : an assignment executed by the Issuer in favour of the Trustee to hold for the benefit of the Noteholders assigning all the rights, benefits, title and interest in, to and under the Transaction Documents (save and except for the Sale and Purchase Agreements) as security for payment of the aggregate of all Secured Amounts subject to the Priority and Security Sharing Agreement and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Trust Deed”** : the trust deed between the Issuer and the Trustee, where the Trustee will hold the benefit of the Trust Deed, the Security Documents, and all amounts received by it from the Issuer in trust for the Noteholders and includes any amendments, variations and/or supplementals made or entered into from time to time;
- “Trustee”** : CIMB Islamic Trustee Berhad (Registration No. 198801000556 (167913-M)) a company incorporated in Malaysia and having its registered address at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur in its capacity as trustee for the Noteholders including any successors-in-title, assigns and any successors appointed in its capacity as trustee;
- “Unrated Category Security”** : collectively, the Property Charge, the Lease Charge, the Deed of Assignment, the Tenancy/Lease Assignment, the Assignment of Tenancy and the Insurances Assignment all in relation to the Unrated Take-out Properties and the Unrated Take-out Designated Accounts Charge subject to the provisions of the Priority and Security Sharing Agreement;
- “Unrated Collection Account”** : the collection account for the Unrated Category as described more particularly in the section *“Programme Summary”* with the heading *“Accounts”* under the section *“Collection Accounts”*;
- “Unrated Collections”** : proceeds derived from the Unrated Take-out Properties including rental and/or lease proceeds, security and rental deposits and insurance proceeds;
- “Unrated”** : the disbursement account for the Unrated Category as described more

<b>Disbursement Account</b>	particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Disbursement Accounts</i> ”;
<b>“Unrated Debt Service Reserve Account”</b>	: the debt service reserve account for the Unrated Category as described more particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Debt Service Reserve Accounts</i> ”;
<b>“Unrated Deposit Minimum Amount”</b>	: a minimum amount of 40% of the aggregate of all security and rental deposits of the Unrated Take-out Properties;
<b>“Unrated Escrow Account”</b>	: the escrow account for the Unrated Category as described more particularly in the section “ <i>Programme Summary</i> ” with the heading “ <i>Accounts</i> ” under the section “ <i>Escrow Accounts</i> ”;
<b>“Unrated Financing”</b>	: has the meaning set out in the section “ <i>Programme Summary</i> ” under the section “ <i>External Financing</i> ”;
<b>“Unrated Series”</b>	: all unrated Senior Take-out MTNs and unrated Junior Take-out MTNs (if any) issued in the same series as the unrated Senior Take-out MTNs;
<b>“Unrated Take-out Assigned Moneys”</b>	: collectively, all amounts from time to time and at any time standing to the credit of all the Unrated Take-out Designated Accounts and all Permitted Investments made from the funds in any and all of the Unrated Take-out Designated Accounts and all income earned in such Permitted Investments from time to time and at any time, which pursuant to the Unrated Take-out Designated Accounts Charge are charged and assigned in favour of the Trustee, as trustee for the holders of the Take-out MTNs of the Unrated Category, as security for the payment of the aggregate of all Unrated Take-out MTNs Secured Amounts;
<b>“Unrated Take-out Designated Accounts”</b>	: collectively, the Unrated Collection Account, the Unrated Disbursement Account, the Unrated Debt Service Reserve Account and the Unrated Escrow Account and reference to “Unrated Take-out Designated Account” shall mean each or any one of them;
<b>“Unrated Take-out Designated Accounts Charge”</b>	: the agreement executed or to be executed between the Issuer and the Trustee in respect of the creation of charges and assignment by the Issuer over all of the Issuer’s present and future rights, title, benefits and interests in and to the Unrated Take-out Assigned Moneys and the Unrated Take-out Designated Accounts in favour of the Trustee, as trustee for the holders of the Unrated Take-out MTNs, as security for the payment of the aggregate of all Unrated Take-out MTNs Secured Amounts and includes any amendments, variations and/or supplementals made or entered into from time to time;
<b>“Unrated Take-out MTNs” or “Unrated Category”</b>	: collectively, the unrated Senior Take-out MTNs and the unrated Junior Take-out MTNs of the same Category and reference to a “Unrated Take-out MTN” shall mean each or any one of them;
<b>“Unrated Take-out MTNs Secured Amounts”</b>	: with respect to the Unrated Take-out MTNs, at any time, the aggregate of the outstanding Face Amount, Coupon, default interest, if any, and all amounts whatsoever which may become due and payable by the Issuer under the Unrated Take-out MTNs or otherwise outstanding under the Unrated Category Security;

**“Unrated Take-out MTNs Noteholders”** : the Noteholders of the Unrated Take-out MTNs;

**“Unrated Take-out Properties”** : the Properties which acquisitions thereof are financed and/or refinanced by any Unrated Take-out MTNs and more particularly described in the Priority and Security Sharing Agreement and reference to an “Unrated Take-out Property” shall mean each or any one of them.

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### Appendix 1: Table of Waivers granted by the Securities Commission

The Issuer has on 11 May 2007 and 19 December 2007 obtained from the Securities Commission a waiver from complying with paragraphs 3.01 (definition of the term “Originator”), 4.01(3) (a), 5.04 and 11.01 (h) in the ABS Guidelines and with paragraph 7.02 of the PDS Guidelines:

#### ABS Guidelines

	<b>WAIVER FROM COMPLIANCE WITH THE FOLLOWING PARAGRAPHS</b>	<b>DISPENSATION OBTAINED</b>
3.01	In these Guidelines, unless the context otherwise requires, the following words and expressions shall have the following meaning:	
	originator refers to any entity that is seeking to transfer or dispose of its assets to a special purpose vehicle in a securitisation transaction.	<u>Dispensation Obtained:</u> References to “originator” may refer to either the vendor(s) of the properties or the sponsor of the proposed securitisation transaction.
4.01	The assets that are the subject matter of a securitisation transaction must fulfil all of the following criteria	
	(1) The assets must generate cash flow;	
	(2) The originator has a valid and enforceable interest in the assets and in the cash flows of the assets prior to any securitisation transaction;	
	(3) There are no impediments (contractual or otherwise) that prevent the effective transfer of the assets or the rights in relation to such assets from an originator to an SPV. For example– (a) that the necessary regulatory or contractual consents have been obtained in order to effect the transfer of such assets from an originator to an SPV;	<u>Dispensation Obtained:</u> As the Bridge MTNs will be issued to provide 100% financing for the purchase price, a certain portion of the Bridge MTNs will be issued to finance payment of the initial deposit of the purchase price before all relevant approvals/consents required for the sale and purchase transaction have been obtained. Dispensation is allowed for the SPV to issue the Bridge MTNs before this item can be complied with.
	(b) that the originator has not done or omitted to do any act which enables a debtor of the originator to exercise the right of set-off in relation to such assets;	
	(4) The assets are transferred at a fair value;	
	(5) No trust or third party’s interest appears to	

	<b>WAIVER FROM COMPLIANCE WITH THE FOLLOWING PARAGRAPHS</b>	<b>DISPENSATION OBTAINED</b>
	exist in competition with an originator's interest over the assets; and	
	(6) Where the interest of an originator in the assets is as a chargee, the charge must have been created for a period of more than six months before the transfer.	
5.04	Save for paragraph 5.05, the originator may only purchase ABS issued by an SPV up to 10% of the original amount of the ABS issued by the SPV at market value at any time unless otherwise permitted by the SC. These guidelines do not impose any limits with respect to the holdings of subordinated securities by an originator.	<u>Dispensation Obtained:</u> An originator (as seller) would not be subject to this requirement unless it is related to the Sponsor or where the Sponsor is also the seller under the relevant transaction. The holdings by the Sponsor of any non-investment grade rated Senior Take-out MTNs are allowed to be considered as holdings of subordinated securities.
5.05	Where an originator is the only primary subscriber resulting in the originator holding more than 10% of the ABS, the originator must make best endeavours to place out such excess ABS within a period of not more than three months from the date of issuance of such ABS.	
11.01	The application for approval of the securitisation transaction must, in addition to the requirements specified in the PDS Guidelines, include the following:	
	(a) A description of the structure of the securitisation transaction;	
	(b) The preliminary rating report;	
	(c) A copy of the constituent document, such as the Memorandum and Articles of Association of an SPV;	
	(d) A legal opinion as to whether the true sale criteria has been met;	
	(e) A copy of all other required regulatory approvals;	
	(f) A valuation report by independent, registered valuers in the event that the assets which are the subject matter of a securitisation transaction include real property;	
	(g) Compliance checklist on the ABS, PDS and the IS Guidelines by principal	

	<b>WAIVER FROM COMPLIANCE WITH THE FOLLOWING PARAGRAPHS</b>	<b>DISPENSATION OBTAINED</b>
	advisers; and	
	(h) All duly executed declarations as per Appendix 1 of these guidelines which shall supersede the required declarations under the PDS and IS Guidelines, where applicable.	<u>Dispensation Obtained:</u> Sponsor provided a sponsor's declaration instead of the Originator.

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**PDS Guidelines**

	<b>WAIVER FROM COMPLIANCE WITH THE FOLLOWING PARAGRAPHS</b>	<b>DISPENSATION OBTAINED</b>
7.01	All issues, offers or invitations that come within the scope of these guidelines must be rated by a rating agency recognised by the SC. An indicative rating must have been obtained by the issuer at the time of submission of the declarations and information to the SC pursuant to paragraph 4.01.	
7.02	Notwithstanding paragraph 7.01, a rating is not required for any issue, offer or invitation of-	
	(a) irredeemable convertible loan stocks; or  (b) such private debt securities- (i) which are non-transferable and non-tradable; and (ii) whose investors do not require a rating.	<u>Dispensation Obtained</u> in relation to the Bridge MTNs and the Junior Take-out MTNs.
	In the case of private debt securities falling under paragraph 7.02(b), the principal adviser must confirm in writing to the SC that both criteria have been met.	

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## **Appendix 2: Cash Flow Projections**



**Cash flow projections for the period from 1 December 2019 to 30 November 2026**

<b>RM'000</b>		<b>1 Dec 2019 to 30 Nov 2020</b>	<b>1 Dec 2020 to 30 Nov 2021</b>	<b>1 Dec 2021 to 30 Nov 2022</b>	<b>1 Dec 2022 to 30 Nov 2023</b>	<b>1 Dec 2023 to 30 Nov 2024</b>	<b>1 Dec 2024 to 30 Nov 2025</b>	<b>1 Dec 2025 to 30 Nov 2026</b>
	<b>Initial flow</b>							
Proceeds from the issuance of the Senior Take-out MTNs	250,000	-	-	-	-	-	-	-
Proceeds from the issuance of the Junior Take-out MTNs	195,000	-	-	-	-	-	-	-
Lease rental	-	36,983	38,395	37,799	39,198	39,476	39,918	40,209
<b>Cash inflow</b>	<b>445,000</b>	<b>36,983</b>	<b>38,395</b>	<b>37,799</b>	<b>39,198</b>	<b>39,476</b>	<b>39,918</b>	<b>40,209</b>
Partial redemption of the Bridge MTNs	(407,146)	-	-	-	-	-	-	-
Capital expenditure	(36,000)	-	-	-	-	-	-	-
Property expenses	-	(4,173)	(4,253)	(4,274)	(4,354)	(4,402)	(4,455)	(4,504)
<b>Cash outflow</b>	<b>(443,146)</b>	<b>(4,173)</b>	<b>(4,253)</b>	<b>(4,274)</b>	<b>(4,354)</b>	<b>(4,402)</b>	<b>(4,455)</b>	<b>(4,504)</b>

<b>Net property cash flow</b>	<b>1,854</b>	<b>32,810</b>	<b>34,142</b>	<b>33,525</b>	<b>34,844</b>	<b>35,074</b>	<b>35,463</b>	<b>35,705</b>
Expenses in relation to Proposal	(1,609)	(70)	(70)	(70)	(70)	(70)	(70)	(70)
Asset manager's management fees	-	(3,406)	(3,454)	(3,432)	(3,479)	(3,488)	(3,501)	(3,510)
Other operating and administrative expenses	(245)	(357)	(357)	(357)	(372)	(372)	(372)	(372)
<b>Net cash flow from operations</b>	<b>-</b>	<b>28,977</b>	<b>30,261</b>	<b>29,666</b>	<b>30,923</b>	<b>31,144</b>	<b>31,520</b>	<b>31,753</b>
Fixed coupon payments - Senior Take-out MTNs	-	(10,750)	(10,750)	(10,750)	(10,750)	(10,750)	(10,750)	(10,750)
Fixed coupon payments – Junior Take-out MTNs	-	(9,750)	(9,750)	(9,750)	(9,750)	(9,750)	(9,750)	(9,750)
Performance Coupon (variable)	-	(4,945)	(5,983)	(5,502)	(6,518)	(6,696)	(7,000)	(7,188)
Income tax payment	-	(3,532)	(3,778)	(3,664)	(3,905)	(3,948)	(4,020)	(4,065)
<b>Balance carry forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note: The basis of preparation and assumptions for the cash flow projections are detailed in Section 8.4 of the Information Memorandum**

**SPONSOR**

**MapletreeLog (M) Holdings Sdn Bhd**  
Suite 12.05, Level 12, Centrepoint North Tower  
Mid Valley City, Lingkaran Syed Putra  
59200 Kuala Lumpur

**ISSUER**

**Semangkuk Berhad**  
10th Floor, Menara Hap Seng  
No. 1 & 3 Jalan P Ramlee  
50250 Kuala Lumpur

**LEAD MANAGER FOR**

**TAKE-OUT MTNS 2019-A(U)**  
**Public Investment Bank Berhad**  
25th Floor, Menara Public Bank  
146, Jalan Ampang  
50450 Kuala Lumpur

**LEAD ARRANGER FOR THE MTN  
PROGRAMME**

**CIMB Investment Bank Berhad**  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

**FACILITY AGENT**

**CIMB Investment Bank Berhad**  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

**TRUSTEE**

**CIMB Islamic Trustee Berhad**  
Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

**CENTRAL SECURITIES DEPOSITORY  
AND**

**PAYING AGENT**  
**Bank Negara Malaysia**  
Jalan Dato' Onn  
50480 Kuala Lumpur

**SOLICITORS**

**FOR THE ISSUER**  
**Rahmat Lim & Partners**  
Suite 33.01 Level 33,  
The Gardens North Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

**SOLICITORS  
FOR THE LEAD ARRANGER  
AND LEAD MANAGER**

**Zul Rafique & partners**  
D3-3-8 Solaris Dutamas  
No.1 Jalan Dutamas 1  
50480 Kuala Lumpur