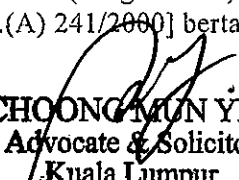


FINAL DATED 17.8.2023

ALSREIT CAPITAL SDN. BHD.


CHOONG MUN YEE
Advocate & Solicitor
Kuala Lumpur

ISLAMIC MEDIUM TERM NOTE ("SUKUK IJARAH") PROGRAMME OF UP TO RM1.5 BILLION IN
NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF IJARAH ("SUKUK IJARAH
PROGRAMME")

PRINCIPAL TERMS AND CONDITIONS IN RELATION TO ISSUE 3 (AS HEREINAFTER DEFINED)
("ISSUE TERM SHEET – ISSUE 3")

- 1) Issuer : ALSREIT Capital Sdn. Bhd. ("ALSREIT" or the "Issuer")
- 2) Parties to the Transaction
 - (a) Principal Adviser : RHB Investment Bank Berhad ("RHB IB")
 - (b) Lead Arranger : RHB IB ("LA")
 - (c) Solicitors : Messrs. Albar & Partners in its capacity as solicitors for the Principal Adviser and the Lead Arranger
 - (d) Sukuk Trustee : Malaysian Trustees Berhad ("MTB")
 - (e) Guarantor : Not applicable
 - (f) Valuers : Cheston International (KL) Sdn Bhd and/or such other licensed independent valuer that means the eligibility requirements imposed by the Securities Commission from time to time as may be appointed by the Issuer from time to time subject to prior written notification to the Security Trustee
 - (g) Facility Agent : RHB IB
 - (h) Primary Subscriber (under a bought-deal arrangement) and amount subscribed : To be determined prior to the issuance (in respect of issuance via bought deal basis only)
Not applicable for issuance via private placement and book building
 - (i) Shariah Adviser : RHB Islamic Bank Berhad ("RHB Islamic")
 - (j) Central Depository : Bank Negara Malaysia ("BNM")
 - (k) Paying Agent : BNM
 - (l) Joint Lead Managers : In respect of Issue 3, Maybank Investment Bank Berhad ("Maybank IB") and RHB IB, and, if mutually agreed between Maybank IB, RHB IB and the Issuer, jointly with any other financial institution(s) ("JLMs").
 - (m) Security Trustee : MTB
 - (n) REIT Trustee : AmanahRaya Trustees Berhad (acting solely in the capacity as trustee of Al-Salām Real Estate Investment Trust ("Al-Salām REIT"))

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PRINCIPAL TERMS AND CONDITIONS IN RELATION TO ISSUE 3 (AS HEREINAFTER DEFINED)
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- (o) REIT Manager : Damansara REIT Managers Sdn Berhad
- (p) Lessor : Issuer
- (q) Lessee/ Service Agent : REIT Trustee
- (r) Security Parties : Issuer, REIT Trustee, REIT Manager, DASB (as defined herein) and all other parties from time to time providing security to secure the payment of the aggregate nominal value of outstanding Sukuk Ijarah in respect of Issue 3 or any part thereof
- 3) Shariah Principle : Ijarah
- 4) Facility Description : The third Issue under the Sukuk Ijarah Programme ("Issue 3") shall comprise only one (1) Tranche of one (1) Unrated Class Sukuk Ijarah of up to RM455.0 million in nominal value.

This issue term sheet for Issue 3 ("Issue Term Sheet – Issue 3") sets out the terms and conditions governing Issue 3. This Issue Term Sheet – Issue 3 shall be read together with the main principal terms and conditions lodged with the Securities Commission Malaysia ("SC") on 2 July 2018 ("Master PTC", which reference shall include the revisions made to the Master PTC and updated to the SC on 21 August 2020). Respectively, all other principal terms and conditions as stated in the Master PTC shall remain in effect and continue in full force.

Unless otherwise defined, the terms used in this Issue Term Sheet – Issue 3 shall have the same meanings as defined in the Master PTC.

Underlying Transaction

In respect of the Issue 3, the Issuer has identified the Lease Assets – Issue 3 (as defined in the section entitled "Other terms and conditions – Lease Assets") as the Shariah compliant leasable assets ("Identified Assets - Issue 3") to facilitate the Ijarah transactions contemplated under the Issue 3.

Refer to the Master PTC in respect of the description of the underlying transaction under the section entitled "Facility Description" thereunder.

- 5) Issue Size : The issue size for Issue 3 is up to RM455.0 million in

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nominal value subject always to the Issuance Conditions (as set out in the section entitled "Other terms and conditions – Issuance Conditions").

6) Availability period of Issue : Issue 3 may be available for issuance commencing from the date of compliance of all conditions precedent and other applicable conditions in respect of the Issue 3 to the satisfaction of the JLMs.

7) Mode of issue :

<input checked="" type="checkbox"/>	Private/ direct placement
<input checked="" type="checkbox"/>	Bought deal
<input checked="" type="checkbox"/>	Book building
<input type="checkbox"/>	Tender

8) Selling Restrictions : (i) At issuance:

<input type="checkbox"/>	Exclusively to persons outside Malaysia
<input checked="" type="checkbox"/>	Part I of Schedule 6 of the CMSA
<input checked="" type="checkbox"/>	Part I of Schedule 7 of the CMSA
<input checked="" type="checkbox"/>	Read together with Schedule 9 of CMSA
<input type="checkbox"/>	Schedule 8 of CMSA
<input checked="" type="checkbox"/>	Section 2(6) of the Act
<input type="checkbox"/>	Other (Please specify)

(ii) After issuance:

<input type="checkbox"/>	Exclusively to persons outside Malaysia
<input checked="" type="checkbox"/>	Part I of Schedule 6 of the CMSA
<input checked="" type="checkbox"/>	Read together with Schedule 9 of CMSA
<input type="checkbox"/>	Schedule 8 of CMSA
<input checked="" type="checkbox"/>	Section 2(6) of the Act
<input type="checkbox"/>	Other (Please specify)

9) Details of security/collateral pledged : Security for Issue 3

Issue 3 shall be secured against the Declaration(s) of Trust made on the Trust Assets-Issue 3 (as defined in the section entitled "Other terms and conditions – Trust Assets") and the following security:

1. Third party first legal charge ("Charge – Issue 3 (Consent Not Required)") pursuant to the provisions of the National Land Code 2020 by the REIT Trustee over the following properties ("Issue 3 Secured Properties (Consent Not Required)") in favour of the Security Trustee:-

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- (a) HSD 510051 for PTD 165998, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (@*Mart Kempas Hypermarket*);
- (b) HSD 539995 for PTD 180682, situated at Bandar Dato' Onn, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (*Malaysian College of Hospitality & Management, f.k.a. KFCH International College*);
- (c) GRN 149808 for Lot 3499, situated at Mukim 13, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (Warehouse and commissary);
- (d) GRN 45688 for Lot 62 Seksyen 7, situated at Daerah Ulu Langat, Bandar Kajang, Negeri Selangor (KFC restaurant);
- (e) GRN 45689 for Lot 63 Seksyen 7, situated at Bandar Kajang, Daerah Ulu Langat, Negeri Selangor (KFC restaurant);
- (f) HSD 17607 for PT 740, situated at Bandar Jitra, Daerah Kubang Pasu, Kedah (KFC restaurant);
- (g) HSD 125211 for PT 2281, situated at Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah (KFC restaurant with drive through facility);
- (h) PN 74196 for Lot 20473, situated at Bandar Kota Tinggi, Daerah Kota Tinggi, Negeri Johor (Pizza Hut restaurant);
- (i) GRN 343903 for Lot 107789, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (Pizza Hut delivery outlet);
- (j) PN 69846 for Lot 41096, situated at Mukim Sri Gading, Daerah Batu Pahat, Negeri Johor (KFC restaurant);
- (k) HSD 491589 for PTD 153154, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (Pizza Hut and KFC restaurants with drive through facility);
- (l) HSD 58402 for PTD 103231, situated at Mukim Senai, Daerah Kulajaya, Negeri Johor (Pizza Hut and KFC restaurants with drive through facility);

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- (m) GRN 140646 for Lot 383044, situated at Mukim Hulu Kinta, Daerah Kinta, Negeri Perak (Pizza Hut and KFC restaurants with drive through facility); and
 - (n) PM 4878 for Lot 19838, situated at Mukim Bukit Katil, Daerah Melaka Tengah, Negeri Melaka (Pizza Hut and KFC restaurants with drive through facility);
2. Third party first legal charge ("**Charge – Issue 3 (Subject to Consent)**") pursuant to the provisions of the National Land Code 2020 by the REIT Trustee over the following properties ("**Issue 3 Secured Properties (Subject to Consent)**") in favour of the Security Trustee:-
- (a) PN 11243 for Lot 9 Seksyen 21, situated at Bandar Port Swettenham, Daerah Klang, Negeri Selangor (*Warehouse*);
 - (b) PN 8616 for Lot 59560 Seksyen 21, situated at Bandar Port Swettenham, Daerah Klang, Negeri Selangor (*Warehouse and factory*);
 - (c) PM 1181 for Lot 2105, situated at Mukim Kuala Perlis, Daerah Perlis, Negeri Perlis (*KFC outlet*);
 - (d) HSD 99750 for PT 6878, situated at Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL (*Pizza Hut and KFC restaurants with drive through facility*); and
 - (e) PN 10207 for Lot 52606, situated at Mukim Kuala Nerus, Daerah Kuala Nerus, Negeri Terengganu (*Mydin Hypermarket, Gong Badak*);
3. Third party legal assignment ("**Assignment of Properties – Issue 3 (Without Title)**") by the REIT Trustee of its rights, titles, interests, benefits and entitlements in the following properties ("**Issue 3 Secured Properties (Without Title)**") in favour of the Security Trustee:-
- (a) the mall with 4 levels and an allocation of 1,187 car park bays known as "KOMTAR JBCC" located at Jalan Wong Ah Fook, 80000 Johor Bahru, Johor constructed on

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part of the master title held under issue document of title GRN 44587 for Lot 14530, situated at Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor ("KOMTAR JBCC"); and

- (b) the 25-storey purpose built office tower with an allocation of 145 car park bays known as "Menara KOMTAR" located at Jalan Wong Ah Fook, 80000 Johor Bahru, Johor constructed on part of the master title held under issue document of title GRN 44587 for Lot 14530, situated at Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor ("Menara KOMTAR");

The Issue 3 Secured Properties (Consent Not Required), the Issue 3 Secured Properties (Subject to Consent) and the Issue 3 Secured Properties (Without Title) shall hereinafter be collectively referred to as "Issue 3 Secured Properties".

Note:

Upon issuance of the separate issue documents of title / strata title to the Issue 3 Secured Properties (Without Title) ("Individual Titles):-

- (i) in the event that the Individual Titles are to be registered in the name of Damansara Assets Sdn Bhd ("DASB") prior to the transfer to the REIT Trustee:-
- (a) within four (4) months from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), a third party first legal charge in form and substance acceptable to the Security Trustee ("DASB Charge") pursuant to the provisions of the National Land Code 2020 by DASB over the Individual Titles in favour of the Security Trustee shall have been registered at the land office;
- (b) within four (4) months from the respective date of issuance of the

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Individual Titles in the name of DASB (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), a third party first legal charge ("**Charge – Issue 3 (KOMTAR)**") pursuant to the provisions of the National Land Code 2020 by the REIT Trustee over the Individual Titles in favour of the Security Trustee shall have been registered at the land office;

- (ii) in the event that the Individual Titles are to be registered directly in the name of the REIT Trustee upon issuance of the same from the relevant land registry, within four (4) months from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), the Charge – Issue 3 (KOMTAR) pursuant to the provisions of the National Land Code 2020 by the REIT Trustee over the Individual Titles in favour of the Security Trustee shall have been registered at the land office.
4. An undertaking from DASB ("**DASB Undertaking**") in favour of the Security Trustee whereby DASB undertakes to do the following, amongst others, in the event that the Individual Titles are to be registered in the name of DASB prior to the transfer to the REIT Trustee for any reasons whatsoever:-
- (i) within one (1) month from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), execute the declaration of trust ("**DASB Declaration of Trust**") in favour of the REIT Trustee whereby DASB shall hold the legal title to the Individual Titles as bare trustee for and on behalf of the REIT Trustee until the date of the transfer of the Individual Titles in favour of the REIT Trustee;

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- (ii) pay the stamp duty payable in respect of the transfer of the Individual Titles in its favour within thirty (30) days from the issuance of the assessment notice by the stamp office;
- (iii) within ten (10) business days from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), if applicable, apply for consent to charge and/or the consent to transfer or cause for the same to be applied from the relevant state authority for the creation of the DASB Charge and/or the transfer of the Individual Titles in favour of DASB;
- (iv) within four (4) months from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), register or cause the registration of the DASB Charge at the relevant land office together with the memorandum of transfer executed in its favour and the DASB Declaration of Trust;
- (v) within five (5) business days from the respective date of issuance of the Individual Titles in the name of DASB as proprietor (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), deliver or cause to be delivered the Individual Titles to the Security Trustee;
- (vi) within three (3) months from the respective date of issuance of the Individual Titles in the name of DASB as proprietor (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3), execute the memorandum of transfer in respect of the Individual Titles in favour of the REIT Trustee and to deliver a stamped and registrable memorandum of transfer to the Security Trustee; and
- (vii) not to deal with or dispose of or sell or

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- transfer or create security interest over the Individual Titles (other than the transfer of the Individual Titles to the REIT Trustee, the DASB Charge and the DASB Declaration of Trust).
5. An irrevocable and unconditional Power of Attorney ("DASB Power of Attorney") to be granted by DASB in favour of the Security Trustee to empower the Security Trustee to, inter alia, do the following in the event that the Individual Titles are to be registered in the name of DASB prior to the transfer to the REIT Trustee for any reasons whatsoever:-
- (i) execute the memorandum of transfer in respect of the Individual Titles in favour of the REIT Trustee;
 - (ii) apply for consent to transfer from the relevant state authority for the transfer of the Individual Titles in favour of DASB;
 - (iii) apply for consent to charge from the relevant state authority for the creation of a charge over the Individual Titles in favour of the Security Trustee; and
 - (iv) execute the DASB Charge and the DASB Declaration of Trust and cause the same to be presented for registration at the relevant land office.
6. Pending the creation and/or perfection of the land charge over the Issue 3 Secured Properties:-
- (a) a third party specific debenture ("Specific Debenture – Issue 3") by the REIT Trustee in favour of the Security Trustee over the Issue 3 Secured Properties;
 - (b) if applicable, a lienholder's caveat ("Lienholders' Caveat – Issue 3") over the following properties ("Issue 3 Secured Properties (Lienholders' Caveat)") together with the execution of a memorandum of deposit ("Memorandum of Deposit – Issue 3 (Lienholders' Caveat)") by the REIT Trustee in respect of the issue documents of title of the Issue 3 Secured Properties (Lienholders' Caveat) to be deposited with the Security Trustee:-

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PRINCIPAL TERMS AND CONDITIONS IN RELATION TO ISSUE 3 (AS HEREINAFTER DEFINED)
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- (i) PN 11243 for Lot 9 Seksyen 21, situated at Bandar Port Swettenham, Daerah Klang, Negeri Selangor (*Warehouse*);
 - (ii) HSD 99750 for PT 6878, situated at Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL (*Pizza Hut and KFC restaurants with drive through facility*); and
 - (iii) PN 10207 for Lot 52606, situated at Mukim Kuala Nerus, Daerah Kuala Nerus, Negeri Terengganu (*Mydin Hypermarket, Gong Badak*); and
- (c) a private caveat over the relevant Issue 3 Secured Properties;
7. First party legal assignment ("**Assignment of Asset Purchase Agreement – Issue 3**") by the Issuer in favour of the Security Trustee of its rights, titles, interests, benefits and entitlements in the Asset Purchase Agreement in respect of Issue 3 executed or to be executed between the Issuer and the REIT Trustee for sale and purchase of the beneficial interests of the Lease Assets – Issue 3;
8. First party legal assignment ("**Assignment of Ijarah Agreement – Issue 3**") by the Issuer in favour of the Security Trustee of its rights, titles, interests, benefits and entitlements in the Ijarah Agreement in respect of Issue 3 entered or to be entered into between the Issuer and the REIT Trustee for the lease of the Lease Assets – Issue 3 by the Issuer to the REIT Trustee;
9. Third party legal assignment ("**Assignment of Lease Agreements – Issue 3**") by the REIT Trustee in favour of the Security Trustee of its rights, titles, interests, benefits and entitlements in the lease agreements between the REIT Trustee and the relevant lessees/tenants in relation to the Issue 3 Secured Properties (which includes assignment of all rental proceeds in respect of lessees/tenants obligations under the tenancy agreements and the lease agreements);
10. Third party legal assignment ("**Assignment of Takaful/Insurance - Issue 3**") by the REIT Trustee in favour of the Security Trustee of all beneficial

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PRINCIPAL TERMS AND CONDITIONS IN RELATION TO ISSUE 3 (AS HEREINAFTER DEFINED)
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rights, titles and interest under Takaful/insurance policies in relation to the Issue 3 Secured Properties;

11. An irrevocable and unconditional Power of Attorney ("**Power of Attorney – Issue 3**") to be granted by the REIT Trustee in favour of the Security Trustee to manage and dispose of the Issue 3 Secured Properties:
 - (i) upon occurrence of a Trigger Event (as defined under the section entitled "**Trigger Event**"), when the Purchase Undertaking of Issue 3 is exercised by the Sukuk Trustee and the Obligor is unable to pay the Exercise Price for Issue 3 within thirty (30) days from the date of the Trigger Event Notice in respect of Issue 3; or
 - (ii) upon the declaration of an Event of Default, in respect of Issue 3.

12. Third party first legal charge by the REIT Trustee in favour of the Security Trustee over the following accounts and assignment of all rights, titles, interests and benefits of the REIT Trustee thereto and the credit balances therein and the Permitted Investments thereof ("**Charge and Assignment over Collection Accounts - Issue 3**"):-
 - (i) the Shariah-compliant account bearing account number 21401360037388 ("**MCA-Issue 3**");
 - (ii) the Shariah-compliant accounts bearing account numbers 21401360015660, 21401360017239 (KOMTAR) and 21401360017247 (MART) respectively (collectively, "**Tranche 1 Collection Account – Issue 3**"); and
 - (iii) the Shariah-compliant account bearing account number 21401360027250 ("**Tranche 2 Collection Account – Issue 3**")

Note: Upon full redemption of all Sukuk Ijarah belonging to Issue 2 and the discharge of security created over the MCA in respect of Issue 2, the existing CMTF-i collection account under the Tranche 1 of Issue 2 and the existing Master Collection Account of Tranche 2 in respect of Issue 2, the Issuer shall create the abovementioned legal charge and assignment over the same to secure

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Issue 3.

The MCA – Issue 3, the Tranche 1 Collection Account- Issue 3 and the Tranche 2 Collection Account – Issue 3 shall hereinafter be collectively referred to as "ICA-Issue 3".

13. First party first legal charge by the Issuer in favour of the Security Trustee over the Finance Service Reserve Account in respect of Issue 3 ("FSRA-Issue 3") and the Finance Service Account in respect of Issue 3 ("FSA-Issue 3") and assignment of all rights, titles, interests and benefits of the Issuer thereto and the credit balances therein and the Permitted Investments thereof ("Charge and Assignment over FSRA and FSA – Issue 3").

Note: Upon full redemption of all Sukuk Ijarah belonging to Issue 2 and the discharge of security created over the FSRA in respect of Issue 2 and the FSA in respect of Issue 2, the Issuer shall create the abovementioned legal charge and assignment over the same to secure Issue 3.

14. First party legal assignment ("Assignment of Service Agency Agreement – Issue 3") by the Issuer in favour of the Security Trustee of its rights, titles, interests, benefits and entitlements in the Service Agency Agreement executed or to be executed between the Issuer and the REIT Trustee in respect of Issue 3;
15. An undertaking from the REIT Manager ("REIT Manager Undertaking – Issue 3") and the REIT Trustee ("REIT Trustee Undertaking – Issue 3") (on behalf of Al-Salām REIT) respectively, in favour of the Security Trustee undertaking the following amongst others:-
- (i) To deposit all cashflow and/or other income and/or rental proceeds generated from the Issue 3 Secured Properties and/or claims from takaful/insurance proceeds paid in relation to the Issue 3 Secured Properties into the relevant Designated Accounts – Issue 3 (as defined below) in accordance with the terms of the relevant Transaction Documents in respect of Issue 3;
 - (ii) To deposit all proceeds from the disposal of the Issue 3 Secured Properties by the

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- Security Trustee into the FSA-Issue 3;
- (iii) That it shall not file any petition or institute winding-up either voluntary or involuntary, or wind up voluntarily, or take any corporate action, legal proceedings or other procedure or steps for the winding-up, dissolution or liquidation in respect of the Issuer;
 - (iv) That it shall not utilise the monies in the MCA-Issue 3 to declare any distributions to Al-Salām REIT unitholders if:-
 - (a) an Event of Default has occurred, is continuing and has not been waived or will occur as a result of such declaration or distribution or a Trigger Event has occurred under Issue 3 or will occur as a result of such declaration or distribution; or
 - (b) the financial covenants under Issue 3 (as provided in the section entitled "Financial Covenant") are not met or will not be met prior to and/or after such distribution.
 - (v) That it shall procure the necessary state authority consent to charge in relation to the Issue 3 Secured Properties (Subject to Consent) within six (6) months from the date of the first (1st) issuance of the Sukuk Ijarah under the Issue 3 (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3);
 - (vi) That it shall procure DASB to comply with its obligations under the DASB Undertaking in the event that the Individual Titles are to be registered in the name of DASB prior to the transfer to the REIT Trustee for any reasons whatsoever and that it shall continuously monitor such compliance by DASB; and
 - (vii) In respect of the REIT Trustee, to present or cause to be presented the Charge – Issue 3 (Subject to Consent) for registration at the relevant land office in favour of the Security Trustee within:-

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- (A) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from Solicitor's date of receipt of the Release Documents (as defined below) on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3); or
- (B) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is not received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from the date of receipt of the state authority consent to charge on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3).

The above shall collectively be referred to as "Issue 3 Security".

10) Details of guarantee, if applicable : Not applicable

11) Positive Covenant : All positive covenants listed under the Master PTC (save and except for the positive covenants that are specific for Issue 1) shall be applicable to the Issuer, the REIT Trustee and the REIT Manager (as the case may be) in respect of Issue 3.

In addition, the following positive covenants shall also be applicable to Issue 3:

1. In respect of the Issuer

- (i) The Issuer shall maintain the FSA-Issue 3 and FSRA-Issue 3 and pay all amounts into such accounts as required pursuant to the terms of

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the relevant Transaction Documents applicable for Issue 3 and make all payments from such accounts only as permitted under the Transaction Documents for Issue 3 and deliver and cause to deliver a certified true copy of the bank statements of the FSA-Issue 3 and the FSRA-Issue 3 on a half-yearly basis to the Sukuk Trustee and the Security Trustee;

- (ii) The Issuer shall procure the REIT Trustee to present or cause to be presented for registration the Charge – Issue 3 (Subject to Consent) at the relevant land office in favour of the Security Trustee within:
 - (A) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from Solicitor's date of receipt of the Release Documents on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3); or
 - (B) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is not received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from the date of receipt of the state authority consent to charge on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3); and
- (iii) Any other covenants as may be required by the JLMs and/or the subscriber(s) of Issue 3.

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2. In respect of the REIT Trustee

- (i) The REIT Trustee shall maintain the Collection Accounts - Issue 3 and pay all amounts as required pursuant to the terms of the relevant Transaction Documents applicable for Issue 3 into the Collection Accounts - Issue 3 and make all payments from the Collection Accounts - Issue 3 only as permitted under the relevant Transaction Documents for Issue 3 and deliver and cause to deliver a certified true copy of bank statements of the Collection Accounts - Issue 3 on a half-yearly basis to the Sukuk Trustee and the Security Trustee;
- (ii) The REIT Trustee shall present or cause to be presented for registration the Charge – Issue 3 (Subject to Consent) at the relevant land office in favour of the Security Trustee within:-
 - (A) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from Solicitor's date of receipt of the Release Documents on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3); or
 - (B) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is not received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah under Issue 3, fourteen (14) business days from the date of receipt of the state authority consent to charge on a best effort basis (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3); and

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- (iii) The Issuer shall furnish a full valuation report(s) prepared by the Valuer at least once every three (3) years commencing from the date of the valuation report last submitted to the Security Trustee for purposes of complying the condition precedent for issuance of Issue 3, with the first full valuation report to be delivered no later than two (2) months after the relevant financial year end of the Issuer or after the release of the Issuer's annual report for that financial year, whichever is earlier, and subsequently every three (3) years thereafter. Such full valuation report(s) shall be addressed to the Security Trustee. In the event that such valuation report(s) is not addressed to the Security Trustee, the Issuer shall cause the Valuer to provide a letter of indemnity to be addressed to the Security Trustee confirming that such valuation can be relied on for financing purposes, and that the Valuer shall indemnify the Security Trustee and shall be further responsible and liable to the Security Trustee for the accuracy and completeness of the information contained in such valuation report(s);
- (iv) The REIT Trustee shall provide written notification to the Security Trustee / Sukuk Trustee prior to any change of the Valuer;
- (v) Until the issuance of the Individual Titles, the REIT Trustee and/ or REIT Manager shall provide or cause to provide status update in writing to the JLMs on a monthly basis and to conduct meeting (whether virtually or physically) on a quarterly basis to update the JLMs and/or subscriber on the progress of the issuance of Individual Titles; and
- (vi) Any other covenants as may be required by the JLMs and/or the subscriber(s) of Issue 3.

12) Negative Covenant

- : All negative covenants listed under the Master PTC (save and except for the negative covenants that are specific for the Issue 1) shall be applicable to the Issuer, the REIT Trustee and the REIT Manager (as the case may be) in respect of the Issue 3.

In addition, the following negative covenants shall also be applicable to the Issue 3:

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The REIT Trustee shall not, without the prior written consent of the Security Trustee:-

- (i) utilise the monies in the MCA-Issue 3 to make any distributions to the unitholders of Al-Salām REIT if:
 - (a) an Event of Default has occurred, is continuing and has not been waived or will occur as a result of such declaration or distribution or a Trigger Event has occurred under Issue 3 or will occur as a result of such declaration or distribution; or
 - (b) the financial covenants under Issue 3 (as provided in the section entitled "Financial Covenant") are not met or will not be met prior to and/or after such distribution.
- (ii) charge, pledge, assign or otherwise create or permit to exist any security interest over the Issue 3 Secured Properties and/or revenues present or future of the Issue 3 Secured Properties save and except for (1) the existing security interest created over the Issue 3 Secured Properties to secure the Existing Issue 2 (as defined in the section entitled "Details on utilisation of proceeds by Issuer for Issue 3"); and (2) any security interest created on the Issue 3 Secured Properties to secure any Subsequent Issues where the proceeds from such Subsequent Issues will be utilised towards the full redemption of outstanding Sukuk Ijarah under Issue 3.

13) Financial Covenant

: In respect of Issue 3, the following financial covenants ("Financial Covenants") shall be complied with at all times throughout the tenure of Issue 3:-

- (i) the Issuer shall maintain at the Issue level, the FSCR of not less than 1.5 times;
- (ii) the REIT Trustee shall maintain at Al-Salām REIT's level, the FSCR of not less than 1.5 times;
- (iii) the Issuer shall maintain at the Issue level, a minimum Security Cover Ratio of at least 2.0 times;

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- (iv) The REIT Trustee shall cause Al-Salām REIT to ensure that its Finance/Asset ratio is not more than 0.5 times or such other ratio as prescribed under the Guidelines on Listed Real Estate Investment Trusts (as may be amended or substituted from time to time) throughout the tenure of the Sukuk Ijarah Programme ("F/A Ratio");
- (v) such other financial covenant(s) as may be determined by the JLMs or subscribers of Issue 3 and agreed to by the Issuer.

Notes:

In respect of FSCR at Issue level, such FSCR shall be calculated as follows:-

$$\text{FSCR}_{\text{Issue}} = \frac{\text{Available Cash Flow for the Relevant Period}}{\text{Finance Service for the Projected Period}}$$

"Available Cash Flow", means the sum of:-

- (a) the combined balances of the Designated Accounts – Issue 3 (excluding deposits and any other amounts which are of a refundable nature to the operators) at the beginning of the Relevant Period; and
- (b) net operating property income from the Issue 3 Secured Properties for such period prior to (i) distribution to the unitholders of Al-Salām REIT and (ii) payment of Finance Service (as defined herein) and expenses relating to Issue 3.

For the purposes of the calculation of FSCR at Issue level, "Relevant Period" means each period of twelve (12) months ending on the last day of the Issuer's financial year or each period of twelve (12) months ending on the last day of the first half of the Issuer's financial year.

For the purposes of the calculation of FSCR at Issue level, "Projected Period" means each period of twelve (12) months following the last day of the Issuer's financial year or each period of twelve (12) months following the last day of the first half of the Issuer's financial year.

"Finance Service" = For the Projected Period, any profit distributions under Issue 3.

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In respect of FSCR at Al-Salām REIT's level, such FSCR shall be calculated as follows:-

$$\text{FSCR Al-Salām REIT} = \frac{A + B}{C}$$

"A" = EBITDA, which means, for any Relevant Period (as defined herein), in relation to Al-Salām REIT, the combined balances of the Designated Accounts opened by the Issuer in respect of all the Issues under the Sukuk Ijarah Programme (excluding deposits and any other amounts which are of a refundable nature to the operators) at the beginning of the Relevant Period, all cash brought forward and all earnings of Al-Salām REIT (at the fund level) (excluding any fair value gain/loss of the tangible assets) before deducting finance charges, taxes, before taking into account any items treated as exceptional or extraordinary items and any amount attributable to depreciation of tangible assets or amortisation of goodwill.

"B" = net change in Al-Salām REIT's working capital (at the fund level) during such Relevant Period.

"C" = Finance Service, which means, for any Projected Period (as defined herein), the aggregate amount of rental, profit, commission, fees, discounts, prepayment penalties or charges and other finance payments in respect of financing whether accrued, paid or payable and whether or not capitalised by Al-Salām REIT (at the fund level) and the Issuer in respect of that Projected Period.

For the avoidance of doubt, any double counting shall be disregarded.

For the purposes of the calculation of FSCR at Al-Salām REIT level, "Relevant Period" means each period of twelve (12) months ending on the last day of Al-Salām REIT's financial year or each period of twelve (12) months ending on the last day of the first half of Al-Salām REIT's financial year.

For the purposes of the calculation of FSCR at Al-Salām REIT level, "Projected Period" means each period of twelve (12) months following the last day of Al-Salām REIT's financial year or each period of twelve (12) months following the last day of the first half of Al-Salām REIT's financial year.

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The FSCR at Issue level and the FSCR at Al-Salām REIT (at the fund level) shall be calculated by the REIT Manager, audited and certified without qualification by a firm of independent accountants and shall be submitted to the Security Trustee and Sukuk Trustee within ninety (90) days of the end of each half yearly financial period of the Issuer and Al-Salām REIT, respectively.

In respect of the Security Cover Ratio:

"Security Cover Ratio" means the ratio of the aggregate open market value of the total properties secured under Issue 3 as supported by the then latest available valuation report(s) and/or desktop valuation (as the case may be) prepared by the Valuer to the aggregate nominal value of all outstanding Sukuk Ijarah under Issue 3 at the Relevant Period.

For the purposes of the calculation of the Security Cover Ratio at Issue level, "Relevant Period" means each period of twelve (12) months ending on the last day of the Issuer's financial year or each period of twelve (12) months ending on the last day of the first half of the Issuer's financial year.

The Security Cover Ratio shall be calculated by the REIT Manager, audited and certified without qualification by a firm of independent accountants and shall be submitted to the Security Trustee and Sukuk Trustee within ninety (90) days of the end of each half yearly financial period of Al-Salām REIT.

In respect of the F/A Ratio:

"Finance" means at the relevant time, an amount for the time being calculated equal to the aggregate of all indebtedness of Al-Salām REIT.

"Asset" means, at the relevant time, the total asset of Al-Salām REIT.

The F/A Ratio shall be calculated by the REIT Manager, audited and certified without qualification by a firm of independent accountants and shall be submitted to the Security Trustee and Sukuk Trustee within ninety (90) days of the end of each half yearly financial period of Al-Salām REIT.

14) Information Covenant : All information covenants under the Master PTC shall

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be applicable to the Issuer, the REIT Trustee and the REIT Manager (as the case may be) in respect of the Issue 3.

- 15) Credit rating(s) of Issue, if applicable : Not applicable. The Sukuk Ijarah under Issue 3 are unrated.
- 16) Conditions Precedent for Issue 3 Conditions precedent for each Subsequent Issue under the Sukuk Ijarah Programme (listed in the section entitled Conditions Precedent in the Master PTC) which are applicable to Issue 3
- (i) The relevant consents and approvals and resolution empowering the REIT Trustee has been obtained and remain valid for the REIT Trustee to provide security for the Issue 3, to enter into and execute the relevant agreements in relation to Issue 3, and to do all that is necessary for the Issuer to undertake Issue 3;
 - (ii) Documentary evidence or a written confirmation that the Issuer and/or REIT Trustee, as the case may be, have opened and maintained the respective Shariah-compliant designated accounts and the mandate for operations of such account (a) (i) which is/are opened or to be opened by the Issuer is in accordance with the terms of the Issuer's board of directors resolutions, (ii) which is/are opened or to be opened by the REIT Trustee is in accordance with the terms of the REIT Trustee's board of directors resolutions, and (b) a copy of each of the board of directors' resolutions has been given to the Security Trustee;
 - (iii) All relevant notices of assignment, consents and acknowledgements required in relation to the relevant Transaction Documents in respect of Issue 3 shall have been served and/or obtained, as the case may be;
 - (iv) Execution of all other relevant Transaction Documents relating to Issue 3 (including the relevant security documents relating to the Issue 3) and where applicable, stamped or duly endorsed as exempted under Stamp Duty (Exemption) (No 23) Order 2000, and where relevant, presented for registration;
 - (v) Legal opinion, where applicable, from the

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- solicitors confirming that the relevant Transaction Documents relating to Issue 3, which have not been included in the legal opinion previously issued for the establishment of the Sukuk Ijarah Programme, are legal, valid, binding and enforceable (where possible), and a confirmation that all conditions precedent in respect of Issue 3 have been fulfilled (or otherwise waived by the LA or the JLMs, as the case may be);
- (vi) Receipt of the latest valuation reports together with the latest valuation updates in respect of the Issue 3 Secured Properties in form and substance acceptable to the JLMs;
 - (vii) Confirmation from the Subscribers of Issue 3 to the JLMs that they do not require rating for the Sukuk Ijarah that they intend to subscribe;
 - (viii) Receipt of the consent to assign the lease agreements between the REIT Trustee and the relevant lessees in relation to the Issue 3 Secured Properties and acknowledgement of such assignment from the lessees/ in relation to the Issue 3 Secured Properties;
 - (ix) A certificate from the Issuer confirming that the financial covenant as set out in the Trust Deed has been complied with and will continue to be complied after the issuance of Sukuk Ijarah under Issue 3;
 - (x) Receipt of a confirmation from the Issuer that no Trigger Event and/or Event of Default in respect of Issue 3 has occurred and is continuing;
 - (xi) To the extent where the proceeds of the Sukuk Ijarah under Issue 3 are used to refinance any credit facilities, redemption statements cum undertaking from existing lenders/ bondholders to discharge the existing charges and release all security interests created to secure those credit facilities upon receipt of the redemption sum have been obtained; and
 - (xii) Such other conditions precedent as may be advised by the Solicitors and mutually agreed between the Issuer, the JLMs and/ or the subscriber(s) of Issue 3.

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Additional Conditions Precedent for the Issue 3:

- (i) Receipt of the certified true copies of the memorandums and articles of association or constitutions, as the case may be, certificates of incorporation, latest Forms 24, 44 and 49 as prescribed by the previous Companies Act 1965 and where applicable, such forms as prescribed by Sections 78, 46(3) and 58 of the Companies Act, in respect of the Security Parties together with the certified true copy of the resolution of the board of directors of the Security Parties authorising, among others, the execution of the Transaction Documents applicable to Issue 3 to which it is a party and the performance of its obligations thereunder;
- (ii) Receipt of the evidence that the applications for consent to charge in respect of the Issue 3 Secured Properties (Subject to Consent) have been submitted to the relevant authorities;
- (iii) The private caveat on each of the relevant Issue 3 Secured Properties (save and except for the land held under issue document of title PM 1181 for Lot 2105, situated at Mukim Kuala Perlis, Daerah Perlis, Negeri Perlis (KFC restaurant) ("Perlis Land")) has been presented for registration at the relevant land office in favour of the Security Trustee and satisfactory results of a search conducted on each of the Issue 3 Secured Properties at the relevant land registry(ies);
- (iv) Receipt of a letter from the Subscribers of Issue 3 (acceptable to the JLMs) agreeing/undertaking to subscribe to Issue 3 and that they do not require an information memorandum for the Sukuk Ijarah belonging to Issue 3 that they intend to subscribe;
- (v) The Statements of Particulars to be Lodged with Charge in respect of the charges created by the Charge – Issue 3 (Consent not Required), the Specific Debenture – Issue 3, the Assignment of Asset Purchase Agreement – Issue 3, the Assignment of Ijarah Agreement – Issue 3, the Assignment of Service Agency Agreement – Issue 3 and the Memorandum of Deposit – Issue 3 (Lienholders' Caveat) have been lodged with the Companies Commission of Malaysia for

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registration;

- (vi) The power of attorney clauses contained in the Power of Attorney – Issue 3, the DASB Power of Attorney, the Specific Debenture – Issue 3, the Assignment of Asset Purchase Agreement – Issue 3, the Assignment of Ijarah Agreement – Issue 3, the Assignment of Service Agency Agreement – Issue 3 and the Memorandum of Deposit – Issue 3 (Lienholders' Caveat) have been registered at the High Court of Malaya;
- (vii) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is received at least fourteen (14) business days prior to the proposed date of first issuance of Issue 3:-
 - (a) the relevant Charge – Issue 3 (Subject to Consent) has been executed by all parties thereto and stamped or endorsed as exempted under the Stamp Duty (Exemption) (No. 23) Order 2000 within fourteen (14) business days from the date of receipt of the state authority consent to charge; and
 - (b) The Statement of Particulars to be Lodged with Charge in respect of the charge created by the relevant Charge – Issue 3 (Subject to Consent) has been lodged with the Companies Commission of Malaysia for registration;
- (viii) The JLMs shall have received written confirmation from the Issuer in form and substance acceptable to the JLMs confirming that the daily sweep of monies from the Tranche 1 Collection Account – Issue 3 and the Tranche 2 Collection Account – Issue 3 into the MCA – Issue 3 has been effected and will continue to be effected throughout the tenure of the Sukuk Ijarah belonging to Issue 3;
- (ix) Confirmation from the Solicitors confirming, among others, that all conditions precedent for Issue 3 have been fulfilled unless otherwise waived by the JLMs; and
- (x) Such other conditions precedent as may be advised by the Solicitors and mutually agreed

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between the Issuer, the JLMs and/ or the subscriber(s) of Issue 3.

Conditions subsequent for Issue 3

- (i) Within seven (7) business days from the date of first (1st) issuance of Sukuk Ijarah belonging to Issue 3, evidence that the valid and registrable forms (including but not limited to all forms prescribed by the Companies Commission of Malaysia) or documents for the purpose of discharging the existing charges over the relevant assets and properties created to secure the Issue 2 (whether or not prescribed by law) which shall include but is not limited to the executed valid, registrable and effective deed of receipt and reassignment, discharge of charge and/or deed of revocation (as the case may be) (collectively, the "Release Documents"), shall have been delivered to the Solicitors;
- (ii) Within seven (7) business days from the Solicitor's date of receipt of the Release Documents, the JLMs shall have received evidence that the Release Documents have been presented for registration at the Companies Commission of Malaysia, or revocation of the power of attorney at the High Court of Malaya, as the case may be;
- (iii) The Charge and Assignment over FSRA and FSA – Issue 3, the Charge and Assignment over Collection Accounts – Issue 3, the Assignment of Lease Agreements – Issue 3 and the Assignment of Takaful/Insurance – Issue 3 have been executed by the parties thereto and stamped or endorsed as exempted under the Stamp Duty (Exemption) (No. 23) Order 2000 within seven (7) business days from Solicitor's date of receipt of the Release Documents;
- (iv) The power of attorney clause contained in the Assignment of Properties – Issue 3 (Without Title), the Charge and Assignment over FSRA and FSA – Issue 3, the Charge and Assignment over Collection Accounts – Issue 3, the Assignment of Lease Agreements – Issue 3 and the Assignment of Takaful/Insurance – Issue 3 has been registered at the High Court of Malaya

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within seven (7) business days from the Solicitor's date of receipt of the Release Documents;

(v) The Statements of Particulars to be Lodged with Charge in respect of the charges created by the Assignment of Properties – Issue 3 (Without Title), the Assignment of Lease Agreements – Issue 3, the Assignment of Takaful/Insurance – Issue 3, the Charge – Issue 3 (Subject to Consent), the Charge and Assignment over FSRA and FSA – Issue 3, the Charge – Issue 3 (KOMTAR) and the Charge and Assignment over Collection Accounts – Issue 3 have been lodged with the Companies Commission of Malaysia for registration within thirty (30) days from the date of execution of the respective charge documents;

(vi) Evidence that the notices of assignment have been served by the REIT Trustee:-

(a) in respect of the Assignment of Lease Agreements – Issue 3, to the lessees/tenants and the original acknowledgements by the lessees/tenants have been forwarded to the Security Trustee;

(b) in respect of the Assignment of Takaful/Insurance – Issue 3, to the takaful companies/insurers and the original acknowledgements by the takaful companies/insurers have been forwarded to the Security Trustee;

within sixty (60) business days from the Solicitor's date of receipt of the Release Documents (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3);

(vii) Evidence that the notices of assignment have been served by the Issuer in respect of the Charge and Assignment over FSRA and FSA – Issue 3 to the account bank(s) and the original acknowledgements by the account bank(s) have been forwarded to the Security Trustee within

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seven (7) business days from the Solicitor's date of receipt of the Release Documents;

- (viii) Evidence that the notices of assignment have been served by the REIT Trustee in respect of the Charge and Assignment over Collection Accounts – Issue 3 to the account bank(s) and the original acknowledgements by the account bank(s) have been forwarded to the Security Trustee within seven (7) business days from the Solicitor's date of receipt of the Release Documents;

Issue 3 Secured Properties (Consent Not Required)

- (ix) The Charge – Issue 3 (Consent Not Required) has been presented for registration at the relevant land office or registry, as the case may be, within thirty (30) days from the date of the first (1st) issuance of the Sukuk Ijarah belonging to Issue 3 (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3) and the result of the land search conducted on each of the Issue 3 Secured Properties (Consent Not Required) immediately prior to the above presentation reveals that, save for the private caveat entered in favour of the Security Trustee and the existing charge created to secure Issue 2, each of the Issue 3 Secured Properties (Consent Not Required) is free from encumbrances of whatsoever nature and such result shall be satisfactory to the JLMs;

Issue 3 Secured Properties (Subject to Consent)

- (x) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah belonging to Issue 3, the relevant Charge – Issue 3 (Subject to Consent) has been presented for registration at the relevant land office or registry, as the case may be within fourteen (14) business days from Solicitor's date of receipt of the Release Documents (or such other period as may be determined by the Sukuk Trustee upon

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instruction by way of a special resolution of the Sukukholders of Issue 3) and the result of the land search conducted on each of the relevant Issue 3 Secured Properties (Subject to Consent) immediately prior to the above presentation reveals that, save for the private caveat entered in favour of the Security Trustee and the existing charge created to secure Issue 2, each of the relevant Issue 3 Secured Properties (Subject to Consent) is free from encumbrances of whatsoever nature and such result shall be satisfactory to the JLMs;

- (xi) In the case where state authority consent to charge in respect of the relevant Issue 3 Secured Properties (Subject to Consent) is not received at least fourteen (14) business days prior to the proposed date of first issuance of Sukuk Ijarah belonging to Issue 3:-
- (a) the Lienholders' Caveat – Issue 3 has been lodged on each of the relevant Issue 3 Secured Properties (Lienholders' Caveat) for registration at the relevant land office by the Security Trustee within fourteen (14) business days from Solicitor's date of receipt of the Release Documents (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3) and the result of the land search conducted on each of the relevant Issue 3 Secured Properties (Lienholders' Caveat) immediately prior to the above presentation reveals that, save for the private caveat entered in favour of the Security Trustee and the existing charge created to secure Issue 2, each of the relevant Issue 3 Secured Properties (Lienholders' Caveat) is free from encumbrances of whatsoever nature and such result shall be satisfactory to the JLMs;
- (b) the Charge – Issue 3 (Subject to Consent) in respect of the relevant Issue 3 Secured Properties (Subject to Consent) has been executed by all parties thereto and stamped or endorsed as exempted under the Stamp Duty (Exemption) (No. 23)

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Order 2000 within fourteen (14) business days from the date of receipt of the state authority consent to charge;

(c) the Charge – Issue 3 (Subject to Consent) in respect of the relevant Issue 3 Secured Properties (Subject to Consent) has been presented for registration at the relevant land office or registry, as the case may be, within fourteen (14) business days from the date of receipt of the state authority consent to charge (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of the Issue 3) and the result of the land search conducted on each of the relevant Issue 3 Secured Properties (Subject to Consent) immediately prior to the above presentation reveals that, save for the private caveat entered in favour of the Security Trustee and the existing charge created to secure Issue 2, each of such Issue 3 Secured Properties (Subject to Consent) is free from encumbrances of whatsoever nature and such result shall be satisfactory to the JLMs;

(xii) Consent from the relevant state authorities for the REIT Trustee to create a legal charge over each of the Issue 3 Secured Properties (Subject to Consent) has been obtained within six (6) months from the date of the first (1st) issuance of the Sukuk Ijarah under the Issue 3 (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3) in favour of the Security Trustee and any conditions imposed by the state authority shall have been agreed by the JLMs;

Issue 3 Secured Properties (Without Title)

(xiii) The Assignment of Properties – Issue 3 (Without Title) has been executed by the parties thereto and stamped or endorsed as exempted under the Stamp Duty (Exemption) (No. 23) Order 2000 within seven (7) business days from the Solicitor's date of receipt of the Release Documents;

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- (xiv) The Assignment of Properties – Issue 3 (Without Title) has been endorsed by the registered proprietor of the Issue 3 Secured Properties (Without Title) within fourteen (14) business days from the Solicitor's date of receipt of the Release Documents;
- (xv) The Individual Titles shall have been issued within twelve (12) months from the date of the first (1st) issuance of the Sukuk Ijarah under the Issue 3 (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a special resolution of the Sukukholders of Issue 3);
- (xvi) In the event that the Individual Titles are to be registered in the name of DASB prior to the transfer to the REIT Trustee:-
 - (a) the DASB Charge has been executed and registered at the relevant land registry within three (3) months from the respective date of issuance of the Individual Titles (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a Special Resolution of the Sukukholders of Issue 3);
 - (b) the Charge – Issue 3 (KOMTAR) has been executed by the REIT Trustee and registered at the relevant land registry within three (3) months from the respective date of issuance of the Individual Titles in the name of DASB (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a Special Resolution of the Sukukholders of Issue 3);
- (xvii) In the event that the Individual Titles are to be registered directly in the name of the REIT Trustee upon issuance of the same from the relevant land registry, the Charge – Issue 3 (KOMTAR) has been executed by the REIT Trustee and registered at the relevant land registry within four (4) months from the respective date of issuance of the Individual Titles in the name of the REIT Trustee (or such other period as may be determined by the Sukuk

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Trustee upon instruction by way of a Special Resolution of the Sukukholders of Issue 3);

- (xviii) The lodgement of a private caveat on each of the Individual Titles for registration at the relevant land registry(ies) by the Security Trustee and satisfactory results of a search conducted on each of the Individual Titles at the relevant land registry(ies) have been obtained within one (1) month from the issuance of the Individual Titles;
- (xix) Written confirmation by the Issuer in form and substance acceptable to the JLMs confirming that Minimum Required Balance shall be deposited or cause to be deposited into the FSRA – Issue 3 on the date of first issuance of Sukuk Ijarah belonging to Issue 3 from the proceeds of such issuance and that the Issuer acknowledges that pending the creation of the assignment and charge over the FSRA – Issue 3 in favour of the Security Agent as security for Issue 3, such monies deposited towards the Minimum Required Balance shall be for the benefit of the Sukukholders of Issue 3;
- (xx) The private caveat over the Perlis Land has been presented for registration at the relevant land office in favour of the Security Trustee within fourteen (14) business days from the first (1st) issuance of the Sukuk Ijarah under the Issue 3 (or such other period as may be determined by the Sukuk Trustee upon instruction by way of a Special Resolution of the Sukukholders of Issue 3);
- (xxi) Confirmation from the Solicitors confirming, among others, that all conditions subsequent for Issue 3 have been fulfilled unless otherwise waived by the JLMs; and
- (xxii) Such other conditions subsequent as may be advised by the Solicitors and mutually agreed between the Issuer, the JLMs and/ or the subscriber(s) of Issue 3.

17) Representations and warranties : All Representations and Warranties listed under the Master PTC (save and except for the Representations and Warranties that are specific for Issue 1) shall be applicable to the Issuer, the REIT Trustee and the REIT Manager (as the case may be) in respect of Issue 3.

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18) Events of default or enforcement : All Events of Default listed under the Master PTC (save events, where applicable, including recourse available to investors and except for the Events of Default that are specific for Issue 1) shall be applicable to the Issuer, the REIT Trustee and the REIT Manager (as the case may be) in respect of Issue 3.

For the avoidance of doubt, those events which constitute a Trigger Event will not constitute an Event of Default and a default in payment of amounts due under the Issue 3 shall not constitute an Event of Default under other Issues.

Upon occurrence of an Event of Default in relation to the Issue 3, the Sukuk Trustee may at its discretion or shall, if instructed by the Sukukholders of the Most Senior Class Sukuk Ijarah (as defined in the section entitled "Voting") belonging to the Issue 3 then outstanding by way of a special resolution, by written notice to the Issuer declare that an Event of Default has occurred under the Issue 3 and the Sukuk Trustee shall enforce its rights under the Transaction Documents.

Upon a declaration of an Event of Default in respect of the Issue 3, the Issue 3 Security shall be immediately enforceable and the Sukuk Trustee shall exercise the Purchase Undertaking granted by the REIT Trustee (as "Obligor" for Al-Salām REIT), requiring the Obligor to purchase the Identified Assets-Issue 3 (on collective basis) by entering into a Sale Agreement and pay the relevant Exercise Price for the Issue 3 which Exercise Price shall immediately become due and payable.

For the avoidance of doubt, declaration of an Event of Default in respect of the Issue 3 does not automatically constitute a declaration of an Event of Default in respect of the other Issues.

Further, upon occurrence of an Event of Default or occurrence of a Trigger Event under the Issue 3, no further issuance of Sukuk Ijarah shall be permitted under the Sukuk Ijarah Programme and the Sukuk Ijarah Programme shall be suspended until such Event of Default or Trigger Event ceases to occur or has been remedied. Upon declaration of an Event of Default or occurrence of a Trigger Event under all Issues, the Sukuk Ijarah Programme shall be cancelled.

19) Governing laws : Laws of Malaysia

20) Provisions on buy-back, if : Provisions on buy-back under the Master PTC is

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- applicable applicable to Issue 3.
- 21) Provisions on early redemption, if : In respect of the Issue 3
applicable

Voluntary Early Redemption

The Issuer may at any time prior to the Expected Maturity Date of the Sukuk Ijarah issued under Issue 3, redeem in whole but not in part, the then outstanding Sukuk Ijarah issued under Issue 3 at its nominal value subject to the following conditions:-

- (i) no Trigger Event or an Event of Default has occurred and is continuing;
- (ii) the Issuer shall have issued a notice to the Sukuk Trustee (the "Early Redemption Notice") not less than thirty (30) days prior to the Early Redemption Date (as defined herein). The Early Redemption Notice must specify, among others, the Early Redemption Date (as defined herein) and the amount intended to be redeemed; and
- (iii) in the case of the Sukuk Ijarah issued with Periodic Distributions, the Early Redemption Date must fall on a Periodic Distribution Date.

"Early Redemption Date" means the date on which the Issuer redeems the outstanding Sukuk Ijarah issued under Issue 3 prior to the Expected Maturity Date of the relevant Sukuk Ijarah issued, at the Early Redemption Amount.

"Early Redemption Amount" means the nominal value of the outstanding Sukuk Ijarah issued under Issue 3 which the Issuer redeems prior to the Expected Maturity Date of the relevant Sukuk Ijarah issued on the Early Redemption Date.

"Periodic Distribution Date" means the date on which the Periodic Distribution is due and payable by the Issuer.

Mandatory Early Redemption

The Issuer shall mandatorily early redeem Sukuk Ijarah belonging to Issue 3 having an aggregate nominal value of at least ten per centum (10%) of the nominal value of all the then outstanding Sukuk Ijarah belonging to Issue 3 at any time and, if applicable, from time to time, no later

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than the date falling eighteen (18) months from the first issuance of the Sukuk Ijarah belonging to Issue 3 subject to the following conditions:-

- (i) in the case of the Sukuk Ijarah issued with Periodic Distributions, the Sukuk Ijarah shall be redeemed on a Periodic Distribution Date; and
- (ii) such Sukuk Ijarah redeemed by the issuer shall be cancelled and may not be re-sold or re-issued; and
- (iii) the Issuer shall have issued a notice to the Sukuk Trustee (the "Early Redemption Notice") not less than six (6) months prior to the proposed early mandatory redemption date (as defined herein). The Early Redemption Notice must specify, among others, the proposed date for mandatory redemption, the amount intended to be redeemed and its plans for refinancing Issue 3 and/or disposal of its assets for purposes of redeeming Issue 3, if applicable .

For the avoidance of doubt, the remaining outstanding Sukuk Ijarah belonging to Issue 3 shall only be redeemed in accordance with the terms and subject to the conditions provided under the Transaction Documents applicable to Issue 3.

Special Redemption

Upon the successful disposal of the Issue 3 Secured Properties (be in whole or in part) pursuant to the exercise of Security Trustee's rights under the Power of Attorney – Issue 3 following an occurrence of a Trigger Event in respect of the Issue 3, the Security Trustee shall immediately notify the Sukuk Trustee of its receipt of the proceeds from the disposal of such Issue 3 Secured Properties. The Sukuk Trustee shall immediately upon the notification from the Security Trustee of the Security Trustee's receipt of the disposal proceeds, redeem the outstanding Sukuk Ijarah belonging to the Issue 3, and the Sukukholders holding the Sukuk Ijarah belonging to the Issue 3 shall be obligated to allow the Sukuk Trustee to immediately redeem all outstanding Sukuk Ijarah belonging to the Issue 3.

22) Voting

- : In respect of the Issue 3, all voting at meetings of the Sukukholders of Sukuk Ijarah belonging to Issue 3 shall be carried out as follows:

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(i) the Sukukholders holding the Sukuk Ijarah belonging to the Issue 3 shall have voting rights on matters relating to Issue 3 only; and

(ii) only the Sukukholders holding the Sukuk Ijarah belonging to the Most Senior Class Sukuk Ijarah of the Issue 3 shall be entitled to vote and the decision of the Most Senior Class Sukuk Ijarah shall bind all other Sukukholders of the Issue 3.

"Most Senior Class Sukuk Ijarah" shall mean all Sukukholders holding the Sukuk Ijarah belonging to Issue 3.

23) Ta'widh : In the event of overdue payments of Rental(s) and/or the Exercise Price under the Transaction Documents in respect of Issue 3, the Issuer and/or the Obligor shall pay to Sukukholders the Ta'widh (compensation) on such overdue amounts at the rate and manner prescribed by the Shariah Advisory Council of SC from time to time in accordance with the Shariah principles.

24) Kafalah : Not applicable.

25) Other Terms and Conditions

(a) Trust Assets : The Issuer shall declare a trust for the benefit of the Sukukholders over the following Trust Assets ("Trust Assets-Issue 3"):

(i) beneficial ownership to the Lease Assets-Issue 3;

(ii) rights under the Ijarah Agreement in respect of Issue 3 and to the Rentals thereof;

(iii) Purchase Undertaking by the REIT Trustee in respect of the Issue 3;

(iv) Service Agency Agreement in respect of Issue 3; and

(v) Any additional items as advised by the LA, Solicitors and/or Shariah Adviser.

(b) Lease Assets : The following assets have been identified as the "Lease Assets-Issue 3":

No	Lease Assets-Issue 3	Market Value
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		(RM)
1.	HSD 510051 for PTD 165998, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (@Mart Kempas Hypermarket)	76,000,000.00
2.	HSD 539995 for PTD 180682, situated at Bandar Dato' Onn, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (Malaysian College of Hospitality & Management, f.k.a KFCH International College)	36,000,000.00
3.	KOMTAR JBCC	431,000,000.00
4.	Menara KOMTAR	70,000,000.00
5.	GRN 149808 for Lot 3499, situated at Mukim 13, Daerah Seberang Perai Tengah, Negeri Pulau Pinang (Warehouse and commissary)	1,600,000.00
6.	GRN 45688 for Lot 62 Seksyen 7, situated at Daerah Ulu Langat, Bandar Kajang, Negeri Selangor (KFC restaurant)	11,000,000.00
7.	GRN 45689 for Lot 63 Seksyen 7, situated at Bandar Kajang, Daerah Ulu Langat, Negeri Selangor (KFC restaurant)	
8.	HSD 17607 for PT 740, situated at Bandar Jitra, Daerah Kubang Pasu, Kedah (KFC restaurant)	570,000.00
9.	HSD 125211 for PT 2281, situated at Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah (KFC restaurant with drive through facility)	6,100,000.00

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10.	PN 74196 for Lot 20473, situated at Bandar Kota Tinggi, Daerah Kota Tinggi, Negeri Johor (<i>Pizza Hut restaurant</i>)	960,000.00
11.	GRN 343903 for Lot 107789, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (<i>Pizza Hut delivery outlet</i>)	1,100,000.00
12.	PN 69846 for Lot 41096, situated at Mukim Sri Gading, Daerah Batu Pahat, Negeri Johor (<i>KFC restaurant</i>)	2,300,000.00
13.	HSD 491589 for PTD 153154, situated at Mukim Tebrau, Daerah Johor Bahru, Negeri Johor (<i>Pizza Hut and KFC restaurants with drive through facility</i>)	13,000,000.00
14.	HSD 58402 for PTD 103231, situated at Mukim Senai, Daerah Kulajjaya, Negeri Johor (<i>Pizza Hut and KFC restaurants with drive through facility</i>)	9,900,000.00
15.	GRN 140646 for Lot 383044, situated at Mukim Hulu Kinta, Daerah Kinta, Negeri Perak (<i>Pizza Hut and KFC restaurants with drive through facility</i>)	9,100,000.00
16.	PM 4878 for Lot 19838, situated at Mukim Bukit Katil, Daerah Melaka Tengah, Negeri Melaka (<i>Pizza Hut and KFC restaurants with drive through facility</i>)	10,700,000.00
17.	PN 11243 for Lot 9 Seksyen 21, situated at Bandar Port Swettenham, Daerah Klang, Negeri Selangor (<i>Warehouse</i>)	50,000,000.00

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18.	PN 8616 for Lot 59560 Seksyen 21, situated at Bandar Port Swettenham, Daerah Klang, Negeri Selangor (<i>Warehouse and factory</i>)	28,000,000.00
19.	PM 1181 for Lot 2105, situated at Mukim Kuala Perlis, Daerah Perlis, Negeri Perlis (<i>KFC restaurant</i>)	590,000.00
20.	HSD 99750 for PT 6878, situated at Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL (<i>Pizza Hut and KFC restaurants with drive through facility</i>)	28,000,000.00
21.	PN 10207 for Lot 52606, situated at Mukim Kuala Nerus, Daerah Kuala Nerus, Negeri Terengganu (<i>Mydin Hypermarket, Gong Badak</i>)	170,000,000.00
	TOTAL	955,920,000.00

Note: The market value of the Lease Asset-Issue 3 as at 31 December 2022.

- (c) **Purchase Undertaking** : In respect of the Issue 3, the REIT Trustee (as "Obligor" on behalf of Al-Salām REIT) shall grant a Purchase Undertaking to the Sukuk Trustee pursuant to which the Obligor shall undertake to purchase the Identified Assets-Issue 3 (on collective basis) from the Issuer or the Sukuk Trustee on the Expected Maturity Date or upon an occurrence of a Trigger Event under the Issue 3 or upon the declaration of an Event of Default under the Issue 3, at the relevant Exercise Price (as defined below) for the Issue 3.

The Purchase Undertaking shall be held by the Sukuk Trustee upon execution.

- (d) **Exercise Price** : In respect of the Issue 3, upon the exercise by the Sukuk Trustee (for Sukukholders) of its rights under the Purchase Undertaking granted by the REIT Trustee, the Exercise Price in respect of the Issue 3 for the purchase of the Identified Assets- Issue 3 is as follows:

At the Expected Maturity Date

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Equivalent to the Scheduled Periodic Distributions Amount (as defined below) for the Sukuk Ijarah belonging to the Issue 3 plus the Ownership Expenses (as defined below).

"Scheduled Periodic Distributions Amount" means the aggregate of the following:

- (a) the nominal value of the outstanding Sukuk Ijarah belonging to the Issue 3; and
- (b) the accrued but unpaid Rental(s) (if any), accrued to the Expected Maturity Date of the Sukuk Ijarah belonging to the Issue 3 and shall be calculated in accordance with BNM Rules and Procedures.

"Ownership expenses" shall mean in respect of Issue 3, all expenses associated with the land premium, ownership maintenance and takaful/insurance of the Identified Assets – Issue 3 under all Ijarah Agreement(s) in respect of Issue 3, other than the ordinary maintenance and repair.

Upon occurrence of a Trigger Event or declaration of an Event of Default

Equivalent to the Dissolution Payment Amount (as defined below) for the Sukuk Ijarah belonging to the Issue 3 plus the Ownership Expenses.

"Dissolution Payment Amount" means:-

- (i) in the case where Dissolution Payment Amount is to be computed for the purpose of determining the Exercise Price payable following the exercise by the Sukuk Trustee of its rights under the Purchase Undertaking following the occurrence of a Trigger Event (but in the absence of a declaration of an Event of Default in respect of the Sukuk Ijarah belonging to the Issue 3), the aggregate of the following:
 - (a) the nominal value of the outstanding Sukuk Ijarah belonging to the Issue 3;
 - (b) the accrued but unpaid Rental(s) (if any), accrued up to the date of the occurrence of a Trigger Event in respect of the Sukuk Ijarah belonging to the Issue 3; and
 - (c) the remaining Rental(s) (if any), calculated from the date of the occurrence of a Trigger

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Event up to the Legal Maturity Date of the Sukuk Ijarah belonging to the Issue 3 subject to Ibra' (as defined below) (if any).

"Ibra'" means an act of releasing absolutely or conditionally the Sukukholders' rights and claims on any obligation against the Obligor which would result in the latter being discharged of its obligation or liabilities towards such Sukukholders. The release may be either partially or in full. In the event the Obligor pays the Exercise Price prior to the Legal Maturity Date of the Sukuk Ijarah belonging to the Issue 3 following the exercise by the Sukuk Trustee of its rights under the Purchase Undertaking following the occurrence of a Trigger Event (but in the absence of a declaration of an Event of Default in respect of the Sukuk Ijarah belonging to that Issue), the Sukukholders shall consent to grant an Ibra' for the remaining Rental(s) calculated from the date of the payment in full of the Exercise Price by the Obligor up to the Legal Maturity Date of the Sukuk Ijarah belonging to the Issue 3.

- (ii) in the case where Dissolution Payment Amount is to be computed for the purpose of determining the Exercise Price payable following the exercise by the Sukuk Trustee of its rights under the Purchase Undertaking following the declaration of an Event of Default in respect of the Sukuk Ijarah belonging to the Issue 3, the aggregate of the following:-
 - (a) the nominal value of the outstanding Sukuk Ijarah belonging to the Issue 3; and
 - (b) the accrued but unpaid Rentals(s) (if any), accrued up to the date of the declaration of an Event of Default in respect of the Sukuk Ijarah belonging to the Issue 3.

For the avoidance of doubt, the Dissolution Payment Amount shall be calculated in accordance with BNM Rules and Procedures.

The Exercise Price payable by the Obligor to the Sukuk Trustee (on behalf of the Sukukholders) shall be set off against reimbursement of the Ownership Expenses.

For the avoidance of doubt, upon the occurrence of a Trigger Event due to the total loss or destruction of or damage to one or more (but not all) of the Identified

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Assets-Issue 3 or any event or occurrence that renders one or more (but not all) of such Identified Assets-Issue 3 permanently unfit for any economic use and the repair or remedial work in respect thereof is wholly uneconomical, which in the opinion of the Sukuk Trustee would significantly impair the ability of the Issuer to continue to collect and/or earn the Rental under the Issue 3 from the Lessee in order to meet its obligations under the Issue 3 ("Loss Assets") and the Purchase Undertaking is exercised by the Sukuk Trustee, the Exercise Price shall exclude the Loss Assets. For any Takaful/insurance claims made on the Loss Assets, such proceeds when received shall be utilised towards the settlement of the Dissolution Payment Amount.

The Servicing Agent shall irrevocably and unconditionally undertake to immediately make the requisite payment to the Issuer (for the benefit of the Sukukholders) if sufficient proceeds of Takaful/insurance have not been received within the agreed timeframe after the occurrence of such Trigger Event, for the full settlement of the Dissolution Payment Amount.

- (e) **Limited recourse** : The Sukuk Ijarah are limited recourse in nature in that payment obligations of the Issuer under Issue 3 of the Sukuk Ijarah and the payment obligations of the Security Parties under the respective Transaction Documents applicable to Issue 3 are limited to the extent of the Issue 3 Security created by the relevant Transaction Documents applicable to Issue 3. If the net proceeds from the realisation of the Issue 3 Security is not sufficient to make all payments due to the Sukukholders of Issue 3, such Sukukholder will have no further claim against the Issuer and the respective Security Party in respect of such shortfall and thereafter any unsatisfied claims shall be extinguished.
- For avoidance of doubt, in a Total Loss Event in respect of Issue 3, payment due to the relevant Sukukholders of Issue 3 will be paid out of the claim proceeds of the takaful/insurance in relation to the Identified Assets – Issue 3.
- (f) **Profit/coupon/rental rate** : The profit rate of the Sukuk Ijarah belonging to Issue 3 shall be determined prior to issuance of such Sukuk Ijarah.
- (g) **Profit/ coupon/rental payment frequency** : The Issuer shall pay the Periodic Distribution Payment either on monthly basis or on quarterly basis (or such

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other period to be agreed between the Issuer and the subscribers of Issue 3) to be determined prior to each issuance of the Sukuk Ijarah belonging to Issue 3, with the first payment to be made one (1) or three (3) (or such other period to be agreed between the Issuer and the subscribers of Issue 3) from the date of issuance of such Sukuk Ijarah, as the case may be. For the avoidance of doubt, the payment frequency of such Periodic Distribution Payment that has been determined prior to issuance of such Sukuk Ijarah, shall apply until the Legal Maturity Date of such Sukuk Ijarah.

(h) Profit/coupon/rental payment basis : Actual / 365 days.

(i) Details on utilisation of proceeds by Issuer for Issue 3 :

<u>Issuer</u>
The proceeds from the issuance of Sukuk Ijarah to be issued under Issue 3 shall be utilised by the Issuer for the following Shariah-compliant purposes:- <ol style="list-style-type: none">1. To finance the acquisition of the beneficial interest of the Lease Assets-Issue 3 from the REIT Trustee;2. Redemption of Sukuk Ijarah belonging to Issue 2 of up to RM451.0 million on its maturity date;3. To fund the FSRA-Issue 3; and/or4. To defray expenses incurred in relation to Issue 3.
<u>REIT Trustee</u>
The REIT Trustee (acting on behalf of Al-Salām REIT) shall utilise the proceeds from the issuance of Sukuk Ijarah to be issued under Issue 3 received from the Issuer for the Shariah-compliant purpose of funding the working capital requirements of Al-Salām REIT (if any), in accordance with the REIT Trust Deed and the REIT Guidelines, as amended from time to time.

Note: The remaining/excess balance of the Sukuk Ijarah proceeds of Issue 3 after the above utilisation ("Excess Balance from Issue 3 Sukuk Proceeds") if any, shall be credited into the MCA-Issue 3.

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- (j) **Listing status and types of listing, where applicable** : The Sukuk Ijarah belonging to the Issue 3 will not be listed on Bursa Malaysia Securities Berhad or any other stock exchanges.
- (k) **Status** : In respect of Issue 3, the Sukuk Ijarah belonging to Issue 3 shall rank pari passu without any preference or priority among themselves.
- For the avoidance of doubt, the Issue 3 will not rank pari passu with other Issue(s) given that each Issue is secured by different Issue Security.
- (l) **Form and Denomination** : Form
- In respect of the Issue 3, the Sukuk Ijarah will be issued in bearer form and represented at all times by global certificates to be deposited with the Central Securities Depository (exchangeable for definitive certificates only in limited circumstances as provided in the Trust Deed) and shall be issued in accordance with BNM Rules and Procedures.
- Denomination
- In respect of the Issue 3, the Sukuk Ijarah shall be issued in the denomination of RM1,000.00 each and in multiples of RM1,000.00 thereof or such other denomination as may be mutually agreed by the Issuer and the LA/JLMs as may be allowed under the BNM Rules and Procedures.
- (m) **Issue Price** : In respect of the Issue 3, the Sukuk Ijarah will be issued at a discount, at par or at premium to the nominal value, and the issue price shall be determined closer to the date of issuance of such Sukuk Ijarah belonging to the Issue 3.
- (n) **Tenure of Issue 3** : In respect of the Sukuk Ijarah to be issued under the Issue 3, the Expected Maturity Period of the Sukuk Ijarah is up to 3 years and the Legal Maturity Period of the Sukuk Ijarah is up to 5 years.
- (o) **Trigger Event** : The occurrence of any of the following events will constitute a Trigger Event under Issue 3:-
- (i) The Issuer fails to meet the Minimum Required Amount (as defined below) to be maintained in the FSRA – Issue 3;

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- (ii) The Issuer fails to redeem any of the applicable Sukuk Ijarah in relation to Issue 3 on their Expected Maturity Date;
- (iii) The Issuer and/or Al-Salām REIT fail to maintain the minimum FSCR applicable to Issue 3;
- (iv) The Lessee of the Ijarah Agreement(s) fails to pay the Rentals on the rental payment date under such Ijarah Agreement(s) in relation to Issue 3;
- (v) The occurrence of the total loss or destruction of, or damage to one or more (but not all) of the Identified Assets – Issue 3 or any event or occurrence that renders one or more (but not all) of such Identified Assets – Issue 3 permanently unfit for any economic use and the repair or remedial work in respect thereof is wholly uneconomical, which in the opinion of the Sukuk Trustee would significantly impair the ability of the Issuer to continue to collect and/or earn the Rental under Issue 3 from the Lessee in order to meet its obligations under Issue 3;
- (vi) A distress, execution, attachment or other legal process is levied, enforced or sued out against any of the Identified Assets – Issue 3, and is not discharged or stayed within thirty (30) days which in the opinion of the Sukuk Trustee would significantly impair the ability of the Issuer to continue to collect and/or earn the Rental under Issue 3 from the Lessee in order to meet its obligations under Issue 3; or
- (vii) Termination of lease agreement(s) of the Identified Assets – Issue 3 in relation to Issue 3 between any of the relevant Operators and the REIT Trustee, which in the opinion of the Sukuk Trustee would significantly impair the ability of the Lessee to pay the Rentals under the Ijarah Agreement(s) under Issue 3; or
- (viii) Default on the lease agreement(s) of the Identified Assets – Issue 3 by any of the relevant Operators, which in the opinion of the Sukuk Trustee would significantly impair the ability of the Lessee to pay the Rentals under the Ijarah Agreement(s) under Issue 3.

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the Sukuk Trustee shall immediately without the need to seek any instruction from the Sukukholders of Issue 3 serve a written notice ("Trigger Event Notice") to the Issuer, the REIT Trustee, the Security Trustee and the Facility Agent, whereupon the Sukuk Trustee shall exercise the Purchase Undertaking of Issue 3 granted by the REIT Trustee as the Obligor, requiring the Obligor to purchase the Identified Assets – Issue 3 in whole by entering into a Sale Agreement and paying the relevant Exercise Price for Issue 3 within thirty (30) days from the date of the Trigger Event Notice. In the event the Obligor fails to pay the Exercise Price for Issue 3 within thirty (30) days from the date of the Trigger Event Notice, the Security Trustee shall, pursuant to the Power of Attorney – Issue 3 granted by the REIT Trustee in favour of the Security Trustee in respect of Issue 3, proceed with the disposal of the Issue 3 Secured Properties. The disposal process of the Issue 3 Secured Properties shall be managed by the Security Trustee pursuant to the provisions of the Power of Attorney – Issue 3 granted by the REIT Trustee in favour of the Security Trustee.

The disposal price shall be determined in accordance with a pre-agreed mechanism between the Issuer and the Security Trustee (i.e. with reference to a valuation by a valuer acceptable to the Security Trustee) subject always to the REIT Guidelines.

The sale proceeds from the Issue 3 Secured Properties shall be deposited into the FSA – Issue 3 and shall be utilised for the redemption of outstanding Sukuk Ijarah of Issue 3 in order of its ranking and thereafter any residual amount shall be returned to the REIT Trustee to be deposited into the MCA – Issue 3. All costs relating to the disposal shall be borne by Al-Salām REIT. All outstanding Sukuk Ijarah belonging to Issue 3 so redeemed pursuant to the provision of this paragraph shall forthwith be cancelled or treated as cancelled and accordingly shall not be resold.

In the event the sale proceeds from the disposal of the Issue 3 Secured Properties are insufficient to redeem all the outstanding Sukuk Ijarah belonging to Issue 3, the Security Trustee shall have no further claim against the Issuer, the REIT Trustee in respect of such shortfall and thereafter any unsatisfied claims shall be extinguished.

For avoidance of doubt, the occurrence of a Trigger Event will not constitute an Event of Default under the Transaction Documents.

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- (p) Transaction Documents : For the Issue 3, in addition to the Programme Agreement dated 6 July 2018 as supplemented by the supplemental programme agreement dated 17 August 2020, the Trust Deed dated 6 July 2018 as supplemented by the supplemental trust deed dated 17 August 2020, the Securities Lodgement Form dated 6 July 2018, the Issue 3 Transaction Documents include the following:
- (i) Issue Term Sheet – Issue 3;
 - (ii) Asset Purchase Agreement in respect of Issue 3;
 - (iii) Declaration of Trust in respect of Issue 3;
 - (iv) Service Agency Agreement;
 - (v) Purchase Undertaking;
 - (vi) Sale Agreement;
 - (vii) Ijarah Agreement in respect of Issue 3;
 - (viii) Subscription Agreement in respect of Issue 3;
 - (ix) the deed of covenants in respect of Issue 3;
 - (x) Security documents in respect of the Issue 3;
 - (xi) Global Certificates or the Definitive Certificates, as the case may be; and
 - (xii) such other documents/agreements as may be advised by the Solicitors and/or the LA/JLMs.

The Transaction Documents will contain those provisions noted herein and other provisions customarily found in documentation for similar financing and satisfactory to the LA, Shariah Adviser and the Solicitors.

- (q) Details of designated accounts : All designated accounts under the Issue 3 of the Sukuk Programme shall be Shariah-compliant accounts ("**Designated Accounts – Issue 3**") and opened by the Issuer/REIT Trustee with financial institutions that carry a minimum rating of A3/A- or P1/MARC-1 (or its equivalent).

Upon the occurrence of a Trigger Event or a declaration of an Event of Default under the Issue 3, whichever is earlier, all Designated Accounts – Issue 3 shall be solely operated by the Security Trustee. Prior to such events occurring, the Designated Accounts – Issue 3 shall be operated by the relevant parties as set out below.

The Designated Accounts – Issue 3 shall comprise the following accounts:-

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Name of Account	Master Collection Account – Issue 3 ("MCA-Issue 3")
Opened/to be Opened by	The MCA-Issue 3 has been opened by the REIT Trustee.
Maintain/operate or to be maintained by/operated by	The MCA-Issue 3 will be maintained and operated solely by: (i) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (ii) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.
Signatories to the account	The signatory to the MCA-Issue 3 is: (i) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (ii) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.
Sources of funds	The following shall be deposited into the MCA-Issue 3: (a) Excess Balance from Issue 3 Sukuk Proceeds, if any; (b) amounts transferred from the Tranche 1 Collection Account – Issue 3 and the Tranche 2 Collection Account – Issue 3; and (c) all proceeds from the Permitted Investments in respect of the Issue 3. Any excess monies after

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	meeting the payments/obligations listed below (<i>Utilisation of funds</i>) will be kept in the MCA-Issue 3.
Utilisation of funds	<p>In the absence of the occurrence of Trigger Event or declaration of an Event of Default under Issue 3, monies in the MCA-Issue 3 shall be applied to meet the following permitted expenditure in the following order of priority:</p> <ul style="list-style-type: none">(a) Any statutory payments of Al-Salām REIT (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;(b) Deposit into the FSRA-Issue 3 to meet the Minimum Required Balance (as defined below);(c) Payment of the Rental under the Ijarah Agreements for the Issue 3 to the Issuer. The payments are to be deposited into the FSA-Issue 3;(d) Takaful contributions/ insurance premiums in respect of the Issue 3 Secured Properties which are due and payable;(e) Payment for Al-Salām REIT's operating expenses;(f) Distribution to unitholders of Al-Salām REIT to the extent that it is permitted under the Transaction Documents; and

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	<p>(g) Permitted Investments.</p> <p>With regard to meeting the Rental obligations under the Issue 3:-</p> <p>(i) if the Issuer elects a periodic distribution period of one (1) month, the whole amount of the then immediate Rental due and payable under the Issue 3 shall be credited from MCA - Issue 3 into FSA - Issue 3 within five (5) business days before the payment obligation is due on a monthly basis; or</p> <p>(ii) if the Issuer elects a periodic distribution period of three (3) months, the REIT Trustee shall build-up an amount equivalent to the then immediate Rental due and payable under the Issue 3, by crediting such amount from the MCA-Issue 3 into the FSA-Issue 3 by two (2) equal monthly instalments, with each instalment in an amount equivalent to 1/2 of such Rental payable under Issue 3 with the first instalment to commence on the date falling one (1) month from the Issue Date of the Issue 3 and the last instalment on the date falling one (1) month thereafter, so that the whole amount of the immediate</p>
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	<p>Rental due and payable under the Issue 3 shall be credited into the FSA-Issue 3 on the date falling one (1) month prior to the relevant due date of the Rental payable under the Issue 3; or</p> <p>(iii) if the Issuer elects a periodic distribution period of six (6) months; the REIT Trustee shall build-up an amount equivalent to the then immediate Rental due and payable under the Issue 3, by crediting such amount from the MCA-Issue 3 into the FSA-Issue 3 by five (5) equal monthly instalments, with each instalment in an amount equivalent to 1/5 of such Rental payable under the Issue 3 with the first instalment to commence on the date falling one (1) month from the Issue Date of the Issue 3 and subsequent instalments to be paid on successive intervals of one (1) month thereafter, so that the whole amount of the immediate Rental due and payable under the Issue 3 shall be credited into the FSA-Issue 3 on the date falling one (1) month prior to the relevant due date of the Rental</p>
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	<p>payable under the Issue 3.</p> <p>Notwithstanding the above, upon occurrence of a Trigger Event but prior to the disposal of the Issue 3 Secured Properties by the Security Trustee pursuant to the Power of Attorney – Issue 3, the payments out of the MCA-Issue 3 shall be in the following order of priority:</p> <ul style="list-style-type: none">(a) Any statutory payments of Al-Salām REIT (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;(b) Deposit into the FSRA-Issue 3 to meet the Minimum Required Balance;(c) Deposit into the FSA-Issue 3 to meet payment obligations due and payable for the outstanding Sukuk Ijarah under the Issue 3 based on its order of priority in terms of ranking and priority of payment determined under the FSA-Issue 3;(d) Takaful contributions/ insurance premiums in respect of the Issue 3 Secured Properties which are due and payable; and(e) Payment of Al-Salām REIT's operating expenses. <p>For the avoidance of doubt, upon occurrence of a Trigger Event or an Event of Default under Issue 3, the REIT Trustee is not permitted to</p>
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	<p>utilise the monies in the MCA-Issue 3 to make payments of distribution to Al-Salām REIT's unitholders.</p> <p>Additionally, following the occurrence of a Trigger Event or a declaration of an Event of Default and after the disposal of the Issue 3 Secured Properties by the Security Trustee pursuant to the Power of Attorney – Issue 3, the funds in the MCA-Issue 3 shall be applied to meet the following permitted expenditure in the following order of priority:</p> <ul style="list-style-type: none">(a) Any statutory payments of Al-Salām REIT (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;(b) Deposit into the FSA-Issue 3 to meet payment obligations due and payable for the outstanding Sukuk Ijarah under Issue 3 based on its order of priority in terms of ranking and priority of payment determined under the FSA-Issue 3;(c) Takaful contributions/ insurance premiums in respect of the Issue 3 Secured Properties which are due and payable; and(d) Payment of Al-Salām REIT's operating expenses; <p>For the avoidance of doubt, following the occurrence of a Trigger Event or declaration</p>
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	of an Event of Default under Issuer 3 and after the disposal of the Issue 3 Secured Properties and redemption of all outstanding Sukuk Ijarah under the Issue 3, any residual amounts in the MCA-Issue 3 will be transferred to the relevant trust account which is controlled by the REIT Trustee.
Name of Account	CMTF-i Collection Account (Tranche 1 Collection Account – Issue 3")
Opened/to be Opened by	The Tranche 1 Collection Account – Issue 3 has been opened by the REIT Trustee.
Maintain/operate or to be maintained by/operated by	The Tranche 1 Collection Account – Issue 3 will be maintained and operated solely by: <ul style="list-style-type: none"> (i) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (ii) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.
Signatories to the account	The signatory to the Tranche 1 Collection Account – Issue 3 is: <ul style="list-style-type: none"> (i) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (ii) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.

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Sources of funds	<p>The following shall be deposited into the Tranche 1 Collection Account – Issue 3:</p> <p>(a) cash inflow to Al-Salām REIT in relation to the relevant Issue 3 Secured Properties including but not limited to rental cashflows;</p> <p>(b) if any, other income in respect of the relevant Issue 3 Secured Properties; and</p> <p>(c) all proceeds of the takaful/ insurance claims in relation to the relevant Issue 3 Secured Properties.</p>
Utilisation of funds	<p>The REIT Trustee shall transfer and/or remit all amounts standing to the credit of the Tranche 1 Collection Account – Issue 3 into the MCA – Issue 3 on a weekly basis commencing within five (5) business days from the first issue date of Issue 3.</p> <p>The funds in the Tranche 1 Collection Account – Issue 3 cannot be withdrawn for any purpose save and except for purposes of transfer to the MCA – Issue 3.</p>

Name of Account	Master Collection Account – Issue 1 ("Tranche 2 Collection Account – Issue 3")
Opened/to be Opened by	The Tranche 2 Collection Account – Issue 3 has been opened by the REIT Trustee.
Maintain/operate or to be maintained	The Tranche 2 Collection Account – Issue 3 will be

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by/operated by	maintained and operated solely by: (a) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (b) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.
Signatories to the account	The signatory to the Tranche 2 Collection Account – Issue 3 is: (i) prior to the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the REIT Trustee; and (ii) upon the occurrence of a Trigger Event or a declaration of an Event of Default under Issue 3, the Security Trustee.
Sources of funds	The following shall be deposited into the Tranche 2 Collection Account – Issue 3: (a) cash inflow to Al-Salām REIT in relation to the relevant Issue 3 Secured Properties including but not limited to rental cashflows; (b) if any, other income in respect of the relevant Issue 3 Secured Properties; and (c) all proceeds of the takaful/ insurance claims in relation to the relevant Issue 3 Secured Properties.

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Utilisation of funds	<p>The REIT Trustee shall transfer and/or remit all amounts standing to the credit of the Tranche 2 Collection Account – Issue 3 into the MCA – Issue 3 on a weekly basis commencing within five (5) business days from the first issue date of Issue 3.</p> <p>The funds in the Tranche 2 Collection Account – Issue 3 cannot be withdrawn for any purpose save and except for purposes of transfer to the MCA – Issue 3.</p>
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Name of Account	Finance Service Account ("FSA-Issue 3")
Opened/to be Opened by	The FSA-Issue 3 has been opened by the Issuer.
Maintain/operate or to be maintained by/operated by	The FSA-Issue 3 will be maintained by the Issuer and operated solely by the Security Trustee.
Signatories to the account	Security Trustee.
Sources of funds	<p>The following shall be deposited into the FSA – Issue 3:-</p> <p>(a) Monies from the MCA-Issue 3 for payments of the Rental to the Issuer pursuant to the Ijarah Agreements for the Issue 3;</p> <p>(b) Monies from the FSRA-Issue 3 to top-up any deficit amount to meet the Rental(s) due under the Issue 3;</p> <p>(c) Proceeds received following the exercise of the Purchase Undertaking for Issue 3 (i) upon the Expected Maturity Date of the</p>

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	<p>Sukuk Ijarah under the Issue 3 or (ii) upon the occurrence of a Trigger Event under Issue 3, when the Purchase Undertaking of the Issue 3 is exercised by the Sukuk Trustee and the Obligor pays the Exercise Price for the Issue 3 within thirty (30) days from the date of the Trigger Event Notice;</p> <p>(d) Proceeds due to the Sukukholders of Issue 3 from the disposal of the Issue 3 Secured Properties following the Security Trustee exercising its rights under the Power of Attorney – Issue 3 (a) upon the occurrence of a Trigger Event under Issue 3, when the Purchase Undertaking of the Issue 3 is exercised by the Sukuk Trustee and the Obligor is unable to pay the Exercise Price for the Issue 3 within thirty (30) days from the date of the Trigger Event Notice; or (b) upon the declaration of an Event of Default under Issue 3; and</p> <p>(e) Rental cash flows generated from the lessees/tenants of the Issue 3 Secured Properties following the occurrence of a Trigger Event.</p>
Utilisation of funds	In the absence of the occurrence of a Trigger Event or declaration of an Event of Default under Issue 3, monies in the FSA-Issue 3 shall be utilised in the following order

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	<p>of priority:</p> <ul style="list-style-type: none">(a) Any statutory payments of the Issuer and the Issue 3 Secured Properties (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;(b) Payment of expenses, charges and fees in relation to the Sukuk Ijarah Programme (prorated amount among the outstanding Issues under the Sukuk Ijarah Programme);(c) Periodic Distributions for the Sukuk Ijarah under the Issue 3 falling due and payable;(d) Principal of the Sukuk Ijarah under the Issue 3 on the Expected Maturity Date of such Sukuk Ijarah under the Issue 3; and(e) Thereafter, any excess funds in the FSA-Issue 3 are to be deposited into the MCA-Issue 3. <p>Following the occurrence of a Trigger Event and pre-/post-disposal of the Issue 3 Secured Properties by the Security Trustee pursuant to the Power of Attorney – Issue 3, the Security Trustee shall apply monies in the FSA-Issue 3 in the following order of priority:</p> <ul style="list-style-type: none">(a) Any statutory payments of the Issuer and the Issue 3 Secured
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	<p>Properties (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;</p> <p>(b) Payment of expenses, charges and fees in relation to the Sukuk Ijarah Programme (prorated amount among the outstanding Issues under the Sukuk Ijarah Programme);</p> <p>(c) Periodic Distributions when due for the Sukuk Ijarah under the Issue 3;</p> <p>(d) Principal payment until full redemption of the Sukuk Ijarah under the Issue 3; and</p> <p>(e) Thereafter, any excess funds in the FSA-Issue 3 shall be deposited to the MCA-Issue 3.</p> <p>Following the declaration of an Event of Default, the Security Trustee shall apply monies in the FSA-Issue 3 in the following order of priority:</p> <p>(a) Any statutory payments of the Issuer and the Issue 3 Secured Properties (i.e. assessment fee, quit rent, tax, etc.) which are due and payable;</p> <p>(b) Payment of expenses, charges and fees in relation to the Sukuk Ijarah Programme (prorated amount among the outstanding Issues under the Sukuk Ijarah Programme);</p> <p>(c) Principal outstanding,</p>
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	<p>Periodic Distributions accrued and unpaid and any compensation for the Sukuk Ijarah of the Issue 3; and</p> <p>(d) Thereafter, any excess funds in the FSA-Issue 3 shall be deposited into the MCA-Issue 3.</p> <p>Funds in the FSA-Issue 3 may be invested in the Permitted Investments.</p>
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Name of Account	Finance Service Reserve Account ("FSRA-Issue 3")				
Opened/to be Opened by	The FSRA-Issue 3 has been opened by the Issuer.				
Maintain/operate or to be maintained by/operated by	The FSRA-Issue 3 will be maintained by the Issuer and operated solely by the Security Trustee.				
Signatories to the account	Security Trustee.				
Sources of funds	<p>Monies from the MCA-Issue 3 and proceeds from the issuance of the Sukuk Ijarah belonging to Issue 3 to build up the Minimum Required Amount to be maintained in the FSRA-Issue 3.</p> <p>"Minimum Required Amount" shall mean at any time, the amount equivalent to any of the following (whichever is applicable):-</p> <table border="1" data-bbox="1098 1816 1433 2020"> <tr> <td>(A)</td> <td>Three (3) months' equivalent of Periodic Distributions</td> </tr> <tr> <td>Upon issuance of Issue 3</td> <td></td> </tr> </table>	(A)	Three (3) months' equivalent of Periodic Distributions	Upon issuance of Issue 3	
(A)	Three (3) months' equivalent of Periodic Distributions				
Upon issuance of Issue 3					

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		payable under the Issue 3.
	(B) Upon the occurrence of a Trigger Event under Issue 3:-	As soon as practicable, an additional amount equivalent to the next immediate nine (9) months' Periodic Distribution Payment payable under the Issue 3 in addition to the amounts stipulated in (A) above. For the avoidance of doubt, where a Trigger Event under the Issue 3 has occurred, the Minimum Required Amount in the FSRA-Issue 3 shall be an amount equivalent to the next twelve

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	<table border="1" data-bbox="1094 519 1430 748"> <tr> <td data-bbox="1094 519 1279 748"></td> <td data-bbox="1286 519 1430 748">(12) months' Periodic Distribution Payment payable.</td> </tr> </table> <p data-bbox="1094 792 1442 882">The Issuer shall maintain the Minimum Required Amount at all times.</p> <p data-bbox="1094 900 1442 1339">As at the issue date of Issue 3, notwithstanding that the security created over the FSRA to secure Issue 2 has yet to be discharged, it is agreed that the then existing balance in the FSRA in respect of Issue 2 and such part of the proceeds from the issuance of Sukuk Ijarah belonging to Issue 3 to be deposited into the FSRA in respect of Issue 3 shall be for purposes of funding the Minimum Required Amount.</p>		(12) months' Periodic Distribution Payment payable.
	(12) months' Periodic Distribution Payment payable.		
Utilisation of funds	<p data-bbox="1094 1361 1442 2031">Mones in the FSRA-Issue 3 shall be used to top-up any deficit amount in the FSA-Issue 3. Any amount withdrawn from the FSRA-Issue 3 shall be replenished within thirty (30) days after the withdrawal date as notified in writing by the Security Trustee to the Issuer so that the Minimum Required Amount is maintained. In the event the Issuer fails to maintain the Minimum Required Amount on the expiry of the aforesaid thirty (30) days period, such failure shall be a Trigger Event but not an Event of Default. In the event monies standing in the FSRA-Issue 3 are more than the Minimum Requirement Amount, the</p>		

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	excess monies shall be deposited into the MCA-Issue 3. Funds in the FSRA-Issue 3 may be invested under the Permitted Investments.
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- (r) **Redemption** : Unless previously redeemed, purchased and cancelled, all Sukuk Ijarah belonging to the Issue 3 then outstanding will be redeemed by the Issuer at 100% of their nominal value on their respective maturity date(s).
- (s) **Issuance Conditions** : The issue size of the Sukuk Ijarah belonging to the Issue 3 are subject to the compliance by the Issuer and the REIT Trustee of the following conditions:-
- (i) The Issuer and the REIT Trustee are to ensure that the Security Cover Ratio shall not be less than 2.0 times and/or such other margin and/or limit of loan to value as determined and agreed by the JLMs and/or subscriber(s) of Issue 3 prior to each issuance of the Sukuk Ijarah under Issue 3; and
- (ii) such other conditions as determined by JLMs and/or the subscriber(s) of Issue 3.
- (t) **Other terms or special conditions, if any** : The Sukuk Ijarah shall at all times be governed by the guidelines issued and to be issued from time to time by the SC, and/or BNM having jurisdiction over matters pertaining to the Sukuk Ijarah.
- (u) **Conflict-of-interest situations and appropriate mitigating measures, if any** : **RHB IB**
- As at the date hereof and after making enquiries as were reasonable in the circumstances, RHB IB is not aware of any circumstances that would give rise to a conflict-of-interest or potential conflict-of-interest situation in its capacity as the PA, LA, JLM and Facility Agent for Issue 3 under the Sukuk Ijarah Programme, save as disclosed below:
- (i) Part of the Sukuk Ijarah proceeds of Issue 3 raised from the Sukuk Ijarah Programme shall be utilised to redeem the Sukuk Ijarah belonging to Issue 2 of up to RM280.0 million in Tranche 1 and Sukuk Ijarah belonging to Issue 2 of up to RM170.0 million in Tranche 2 on its maturity date, some of

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which are held by RHB Banking Group (as defined below); and

- (ii) RHB Islamic is one of the primary subscribers for Issue 3 to be issued under the Sukuk Ijarah Programme.

Further to the above, we wish to disclose the following:

- (i) RHB IB, RHB Islamic and MTB are deemed to be related corporations by virtue of them being subsidiaries of RHB Bank Berhad (“RHB Bank Berhad”);
- (ii) RHB Islamic is appointed by the Issuer as the Shariah Adviser of the Sukuk Ijarah Programme; and
- (iii) MTB is appointed by the Issuer as the Sukuk Trustee and the Security Trustee of the Sukuk Ijarah Programme.

As a mitigating measure and to address the conflict-of-interest and/or potential conflict-of-interest set out above, the following measures have been or will be taken:

- (i) The conflict-of-interest and/or potential conflict-of-interest situations have been brought to the attention of the board of directors of the Issuer and hence they are fully aware of the same. Despite such conflict-of-interest and/or potential conflict-of-interest situations, the board of directors of the Issuer has agreed to proceed with the issuance of Issue 3 in accordance with the present arrangement and terms of the Sukuk Ijarah Programme;
- (ii) RHB IB will disclose to the potential investor(s) the roles undertaken by RHB IB and its conflict-of-interest and/or potential conflict-of-interest in relation to the issuance of Issue 3 under the Sukuk Ijarah Programme;
- (iii) RHB IB is a licensed investment bank and its appointments as the PA, LA, JLM and Facility Agent for the Sukuk Ijarah Programme are in the ordinary course of its business;
- (iv) RHB IB will be governed by the relevant agreements and documentation, which shall

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clearly set out the rights, duties and responsibilities of RHB IB in its capacity as the PA, LA, JLM and the Facility Agent in relation to the Sukuk Ijarah Programme, and shall be carried out on an arm's-length basis and independently by RHB IB;

- (v) A due diligence review pursuant to the Sukuk Ijarah Programme has been or will be undertaken together with other independent and professional advisers;
- (vi) RHB Banking Group maintains a strict physical separation of its divisions/departments to its Chinese Wall Policy to avoid the sharing of sensitive information. The conduct of RHB IB is regulated by BNM and the SC and governed under, inter alia, the Financial Services Act 2013, the Capital Markets and Services Act 2007 ("CMSA") and by its own internal controls and checks;
- (vii) Notwithstanding that RHB IB, RHB Islamic and MTB are related corporations, each entity is separate and well regulated respectively; and
- (viii) The redemption of the outstanding Sukuk Ijarah belonging to Issue 2 on its maturity, will be governed by the terms of the Sukuk Ijarah Programme and the holders of the outstanding Sukuk Ijarah belonging to Issue 2 will be paid in accordance with the terms of the Sukuk Ijarah Programme. Accordingly, the repayment to any member of RHB Banking Group which is the holder of the outstanding Sukuk Ijarah belonging to Issue 2 pursuant to the redemption of the outstanding Sukuk Ijarah belonging to Issue 2 shall be on the terms and conditions of the Sukuk Ijarah Programme and without any preferential treatment in relation to such redemption.

"RHB Banking Group" means RHB IB and its related companies including its holding company, subsidiary(ies), and any associated company(ies) as well as the subsidiary(ies), and any associated company(ies) of the holding company.

RHB Islamic

As at the date hereof and after making enquiries as were reasonable in the circumstances, RHB Islamic is

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not aware of any circumstances which may give rise to a conflict-of-interest or potential conflict-of-interest situation, in its capacity as the Shariah Adviser of the Sukuk Ijarah Programme, save as disclosed below:

- (i) Part of the Sukuk Ijarah proceeds of Issue 3 raised from the Sukuk Ijarah Programme shall be utilised to redeem the Sukuk Ijarah belonging to Issue 2 of up to RM280.0 million in Tranche 1 and Sukuk Ijarah belonging to Issue 2 of up to RM170.0 million in Tranche 2 on its maturity date, some of which are held by RHB Banking Group; and
- (ii) RHB Islamic is one of the primary subscribers for Issue 3 to be issued under the Sukuk Ijarah Programme.

Further to the above, we wish to disclose the following:

- (i) RHB IB, RHB Islamic and MTB are deemed to be related corporations by virtue of them being subsidiaries of RHB Bank;
- (ii) RHB IB is appointed by the Issuer as the PA, LA, JLM and Facility Agent of the Sukuk Ijarah Programme; and
- (iii) MTB is appointed by the Issuer as the Sukuk Trustee and the Security Trustee of the Sukuk Ijarah Programme.

As a mitigating measure and to address the conflict-of-interest and/or potential conflict-of-interest set out above, the following measures have been or will be taken:

- (i) The conflict-of-interest and/or potential conflict-of-interest situations have been brought to the attention of the board of directors of the Issuer and hence they are fully aware of the same. Despite such conflict-of-interest and/or potential conflict-of-interest situations, the board of directors of the Issuer has agreed to proceed with the issuance of Issue 3 in accordance with the present arrangement and terms of the Sukuk Ijarah Programme;
- (ii) RHB Islamic will disclose to the potential investor(s) the roles undertaken by RHB Islamic and its conflict-of-interest and/or potential

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conflict-of-interest in relation to the issuance of Issue 3 under the Sukuk Ijarah Programme;

- (iii) RHB Islamic is a licensed Islamic bank and its appointment as the Shariah Adviser for the Sukuk Ijarah Programme is in the ordinary course of its business;
- (iv) RHB Islamic will be governed by the relevant agreements and documentation, which shall clearly set out the rights, duties and responsibilities of RHB Islamic in its capacity as the Shariah Adviser in relation to the Sukuk Ijarah Programme, and shall be carried out on an arm's-length basis and independently by RHB Islamic;
- (v) A due diligence review pursuant to the Sukuk Ijarah Programme has been or will be undertaken together with other independent and professional advisers;
- (vi) RHB Banking Group maintains a strict physical separation of its divisions/departments to its Chinese Wall Policy to avoid the sharing of sensitive information. The conduct of RHB Islamic is regulated by BNM and governed under, inter alia, the Islamic Financial Services Act 2013, the CMSA and by its own internal controls and checks;
- (vii) Notwithstanding that RHB IB, RHB Islamic and MTB are related corporations, each entity is separate and well regulated respectively; and
- (viii) The redemption of the outstanding Sukuk Ijarah belonging to Issue 2 on its maturity, will be governed by the terms of the Sukuk Ijarah Programme and the holders of the outstanding Sukuk Ijarah belonging to Issue 2 will be paid in accordance with the terms of the Sukuk Ijarah Programme. Accordingly, the repayment to any member of RHB Banking Group which is the holder of the outstanding Sukuk Ijarah belonging to Issue 2 pursuant to the redemption of the outstanding Sukuk Ijarah belonging to Issue 2 shall be on the terms and conditions of the Sukuk Ijarah Programme and without any preferential treatment in relation to such redemption.

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Maybank IB

Maybank IB has been appointed as JLM for the issuance of Issue 3 under the Sukuk Ijarah Programme.

As at the date hereof and after making enquiries as were reasonable in the circumstances, save as disclosed below, Maybank IB is not aware of any circumstances that would give rise to a conflict-of-interest and/or potential conflict-of-interest situation, arising from its roles as one of the JLMs for Issue 3 under the Sukuk Ijarah Programme, whereby:

- (i) Maybank Islamic Berhad (“**Maybank Islamic**”) is one of the subscribers of the Existing Tranche 1 and the Existing Tranche 2 of Issue 2. Part of the proceeds to be raised from Issue 3 shall be utilised to redeem the outstanding Sukuk Ijarah belonging to Existing Tranche 1 and the Existing Tranche 2 of Issue 2 on its maturity date; and
- (ii) Maybank IB and Maybank Islamic are subsidiaries of Malayan Banking Berhad.

In view of the above, there may be a potential conflict-of-interest arising from the roles assumed by Maybank IB in relation to the Sukuk Ijarah Programme. As a mitigating measure and to address the potential conflict-of-interest set out above, the following measures have been taken:

- (i) Maybank IB, as a licensed investment bank, believes in maintenance of the highest standard of professional responsibility and will ensure that it discharges its professional duty accordingly in relation to the Sukuk Ijarah Programme;
- (ii) Maybank IB's appointment as the JLM is in the ordinary course of its business;
- (iii) Maybank IB will ensure that the above-mentioned role is governed by separate and legally binding agreements and documentation specifying the respective rights, functions, responsibilities, procedures and priorities and shall be carried out on an arm's-length basis;
- (iv) A due diligence review pursuant to Issue 3 under the Sukuk Ijarah Programme has been or will be undertaken together with other independent professional advisers; and

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- (v) Maybank IB undertakes each of its roles on an arm's length basis and its conduct is regulated by BNM and the SC and governed under, inter alia, the Financial Services Act 2013, the CMSA and internal controls and checks.

MTB

As at the date hereof and after making enquiries as were reasonable in the circumstances, MTB is not aware of any circumstances, which may give rise to a conflict-of-interest situation and/or a potential conflict-of-interest situation in its capacity as the Sukuk Trustee and the Security Trustee in relation to Issue 3 under the Sukuk Ijarah Programme, save as disclosed below:

- (i) Part of the Sukuk Ijarah proceeds of Issue 3 raised from the Sukuk Ijarah Programme shall be utilised to redeem the Sukuk Ijarah belonging to Issue 2 of up to RM280.0 million in Tranche 1 and Sukuk Ijarah belonging to Issue 2 of up to RM170.0 million in Tranche 2 on its maturity date, some of which are held by RHB Banking Group; and
- (ii) RHB Islamic is one of the primary subscribers for Issue 3 to be issued under the Sukuk Ijarah Programme.

Further to the above, we wish to disclose the following:

- (i) RHB IB, RHB Islamic and MTB are deemed to be related corporations by virtue of them being subsidiaries of RHB Bank;
- (ii) RHB IB is appointed by the Issuer as the PA, LA, JLM and Facility Agent of the Sukuk Ijarah Programme; and
- (iii) RHB Islamic is appointed by the Issuer as the Shariah Adviser of the Sukuk Ijarah Programme.

As a mitigating measure and to address the conflict-of-interest and/or potential conflict-of-interest set out above, the following measures have been or will be taken:

- (i) The conflict-of-interest and/or potential conflict-of-interest situations have been brought to the attention of the board of directors of the Issuer

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and hence they are fully aware of the same. Despite such conflict-of-interest and/or potential conflict-of-interest situations, the board of directors of the Issuer has agreed to proceed with the issuance of Issue 3 in accordance with the present arrangement and terms of the Sukuk Ijarah Programme;

- (ii) MTB will disclose to the potential investor(s) the roles undertaken by MTB and its conflict-of-interest and/or potential conflict-of-interest in relation to the issuance of Issue 3 under the Sukuk Ijarah Programme;
- (iii) MTB is a licensed trustee company and registered bond trustee with the SC and its appointments as the Sukuk Trustee and the Security Trustee for the Sukuk Ijarah Programme are in the ordinary course of its business;
- (iv) MTB will be governed by the relevant agreements and documentation, which shall clearly set out the rights, duties and responsibilities of MTB in its capacity as the Sukuk Trustee and the Security Trustee in relation to the Sukuk Ijarah Programme, and shall be carried out on an arm's-length basis and independently by MTB;
- (v) A due diligence review pursuant to the Sukuk Ijarah Programme has been or will be undertaken together with other independent and professional advisers;
- (vi) RHB Banking Group maintains a strict physical separation of its divisions/departments to its Chinese Wall Policy to avoid the sharing of sensitive information. The conduct of MTB is regulated by the SC and governed under, inter alia, the CMSA and by its own internal controls and checks;
- (vii) Notwithstanding that RHB IB, RHB Islamic and MTB are related corporations, each entity is separate and well regulated respectively; and
- (viii) The redemption of the outstanding Sukuk Ijarah belonging to Issue 2 on its maturity, will be governed by the terms of the Sukuk Ijarah Programme and the holders of the outstanding Sukuk Ijarah belonging to Issue 2 will be paid in

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accordance with the terms of the Sukuk Ijarah Programme. Accordingly, the repayment to any member of RHB Banking Group which is the holder of the outstanding Sukuk Ijarah belonging to Issue 2 pursuant to the redemption of the outstanding Sukuk Ijarah belonging to Issue 2 shall be on the terms and conditions of the Sukuk Ijarah Programme and without any preferential treatment in relation to such redemption.

Albar & Partners

After making enquiries as were reasonable in the circumstances, Albar & Partners is not aware of any circumstances, which may give rise to a conflict-of-interest situation or a potential conflict-of-interest situation in its capacity as the Solicitor to the Joint Lead Managers in relation to Issue 3 of the Sukuk Ijarah Programme.

ACCEPTANCE

We, ALSREIT Capital Sdn Bhd (Registration No. 201801008440 (1270454-H)), hereby confirm the acceptance of the terms and conditions in relation to Issue 3 as set out in this Issue Term Sheet – Issue 3.



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Authorised signatory

Name : Raja Nazirin Shah Bin Raja Mohamad

Date : 17 AUG 2023