

BASE PROSPECTUS

NagaWarrants by **kenanga**

Base Prospectus
relating to the offering
of Structured Warrants to be issued
by

KENANGA INVESTMENT BANK BERHAD
(Company Registration No. 197301002193 (15678-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)
(Incorporated in Malaysia under the Companies Act 2016)

This Base Prospectus is published in connection with the offering of Structured Warrants (as defined below) to be issued from time to time (within the validity period of this Base Prospectus which expires on 17 May 2021 by Kenanga Investment Bank Berhad (“**KIBB**” or the “**Issuer**”). The Structured Warrants are non-collateralised and comprise of American style cash settled call/put warrants over a single equity, American style cash settled call/put warrants over a basket of equities, American style cash settled call/put warrants over a single index, American style cash settled call/put warrants over an exchange-traded fund (“**ETF**”), European style cash settled call/put warrants over a single equity, European style cash settled call/put warrants over a basket of equities, European style cash settled call/put warrants over a single index, European style cash settled call/put warrants over an ETF, European style cash settled callable bull/bear certificates (“**CBBCs**”) over a single equity, European style cash settled CBBCs over a single index, European style cash settled CBBCs over an ETF and bull equity-linked structures (“**Bull ELS**”) (collectively, “**Structured Warrants**”).

This Base Prospectus is intended to provide information on the Issuer and the Structured Warrants. The specific terms and conditions relating to each series of Structured Warrants will be set out in the term sheets to be issued for the Structured Warrants, which will be supplemental to, and should be read in conjunction with this Base Prospectus.

You are warned that the price or the level of the underlying financial instruments and the price of the Structured Warrants may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. You should therefore make sure you understand the terms and conditions of the Structured Warrants offered, the risk factors involved, and where necessary seek professional advice before investing in the Structured Warrants.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS BASE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

THERE ARE CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER. TURN TO PAGE 16 OF THIS BASE PROSPECTUS FOR “RISK FACTORS”.

The Structured Warrants constitute general unsecured contractual obligations of the Issuer and of no other person. Therefore, if you purchase the Structured Warrants, you are relying on the creditworthiness of the Issuer and have no recourse/rights against the company which has issued the underlying shares, the underlying ETF, the sponsor of the underlying indices or any companies forming part of any indices to which the Structured Warrants relate.

The Structured Warrants are to be listed and traded on the Structured Warrants Board of Bursa Malaysia Securities Berhad.

The date of this Base Prospectus is 18 May 2020

kenanga

Kenanga Investment Bank Berhad
Company No. 197301002193 (15678-H)

RESPONSIBILITY STATEMENTS

OUR DIRECTORS HAVE SEEN AND APPROVED THIS BASE PROSPECTUS. OUR DIRECTORS COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS BASE PROSPECTUS AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT IN THIS BASE PROSPECTUS FALSE OR MISLEADING.

WE ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF OUR KNOWLEDGE AND BELIEF, THIS BASE PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE OFFERING OF THE STRUCTURED WARRANTS (“**OFFER**”).

STATEMENTS OF DISCLAIMER

A COPY OF THIS BASE PROSPECTUS HAS BEEN REGISTERED WITH THE SECURITIES COMMISSION MALAYSIA (“**SC**”). THE REGISTRATION OF THIS BASE PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE OFFER OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED IN THIS BASE PROSPECTUS. THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS BASE PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS BASE PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

APPROVAL WILL BE OBTAINED FROM BURSA MALAYSIA SECURITIES BERHAD (“**BURSA SECURITIES**”) FOR THE LISTING OF AND QUOTATION FOR THE STRUCTURED WARRANTS BEING OFFERED. ADMISSION OF THE STRUCTURED WARRANTS TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF OUR INVITATION, CORPORATION AND SECURITIES.

DUE TO THE MOVEMENT CONTROL ORDER (“**MCO**”), A COPY OF THIS BASE PROSPECTUS SHALL BE LODGED WITH THE REGISTRAR OF COMPANIES (“**ROC**”) WITHIN FOURTEEN (14) DAYS FROM THE DATE THE MCO IS UPLIFTED. THE ROC DOES NOT TAKE ANY RESPONSIBILITY FOR THE CONTENTS OF THIS BASE PROSPECTUS.

OTHER STATEMENTS

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS BASE PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007 (“**CMSA**”).

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DISTRIBUTION OF THIS BASE PROSPECTUS AND THE SALE OF STRUCTURED WARRANTS IN CERTAIN JURISDICTIONS OUTSIDE MALAYSIA MAY BE RESTRICTED BY LAW. YOU ARE REQUIRED TO BE AWARE AND OBSERVE THE LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA THAT YOU ARE OR MIGHT BE SUBJECT TO.

ADDITIONAL INFORMATION AND TERMS RELATING TO EACH OFFERING WILL BE SET OUT IN THE RESPECTIVE TERM SHEETS, WHICH WILL BE SUPPLEMENTAL TO, AND SHOULD BE READ IN CONJUNCTION WITH, THIS BASE PROSPECTUS.

THIS BASE PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT www.bursamalaysia.com.

THE DETAILS ON PERSONAL DATA PROTECTION ACT 2010 (“**PDPA**”) ARE AVAILABLE AT KIBB'S WEBSITE, https://www.kentrade.com.my/kentrade/nav_privacy.aspx.

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THE AUDITED FINANCIAL STATEMENTS OF KIBB ARE AVAILABLE ON www.kenanga.com.my, AS WELL AS www.bursamalaysia.com.

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DEFINITIONS

All references to “our Company” or “the Issuer” or “the Bank” or “KIBB” in this Base Prospectus are referred to Kenanga Investment Bank Berhad (197301002193 (15678-H)), references to “our Group” or “KIBB Group” are referred to our Company and our subsidiaries, and references to “we”, “us” “our” and “ourselves” are to our Company and, except where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to “Management” are to our Directors and key management personnel as at the date of registration of this Base Prospectus with the SC, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

References to the “Government” are to the Government of Malaysia; references to “Ringgit”, “Ringgit Malaysia”, “RM” or “sen” are to the lawful currency of Malaysia, and references to a time of day are to Malaysian time, unless otherwise stated. Words importing the singular shall, where applicable, include plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include companies and corporations. References to a “series” of Structured Warrants are to each type of Structured Warrants to be issued by us based on this Base Prospectus and the term sheet to be issued in support of each series of Structured Warrants.

Any enactment referred to in this Base Prospectus is a reference to that enactment as for the time being amended or re-enacted.

Unless otherwise indicated, information in this Base Prospectus is given as at 19 March 2020. Any discrepancies in the tables between the amounts listed and the totals in this Base Prospectus are due to rounding.

The following terms in this Base Prospectus bear the same meanings as set out below, unless the term is defined otherwise or the context otherwise requires:

Act	:	Companies Act 2016, as amended from time to time, and any re-enactment thereof
BAFIA	:	Banking and Financial Institutions Act 1989. The Act has been repealed and replaced by the FSA
BNM	:	Bank Negara Malaysia
Board	:	Board of Directors of KIBB
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
Central Depository System	:	A system that is fully owned and operated by Bursa Depository
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time, and any re-enactment thereof
Code	:	Malaysian Code on Take-Overs and Mergers 2016, as amended from time to time, and any re-enactment thereof
Conditions	:	Terms and conditions in relation to the Structured Warrants
Constitution	:	KIBB’s constitution as may be varied and/or amended from time to time;

DEFINITIONS

Deed Poll	:	The deed poll dated 13 May 2020 executed by us for the Structured Warrants, as amended, modified or supplemented from time to time. The Term Sheet(s) to be issued for the Structured Warrants will form a new schedule in and supplement the Deed Poll. The Structured Warrants are constituted by the detailed provisions of the Deed Poll. An extract of the principal terms of the Deed Poll is set out in Annexure I to this Base Prospectus. It is important to read the provisions of the Deed Poll as it contains the obligations of the Issuer, the terms of the Structured Warrants and your rights as an investor.
ECML	:	ECML Berhad (formerly known as ECM Libra Investment Bank Berhad) (193001000016 (682-X))
ECMLFG	:	ECM Libra Financial Group Berhad (200501031433 (713570-K))
EIBB	:	ECM Libra Investment Bank Berhad (now known as ECML Berhad) (193001000016 (682-X))
EPS	:	Earnings per share
ETF	:	Exchange-Traded Fund
ETF Assets	:	Assets invested by the relevant ETF
ETF Management Company	:	The management company approved by the SC under the CMSA or such other relevant authorities in other jurisdictions, which manages an ETF and creates the ETF Units
ETF Unit(s)	:	Existing issued ordinary units of the relevant ETF
Exercise Notice	:	Notice of exercise of Structured Warrants substantially in the form obtainable from the Warrant Registrar
FSA	:	Financial Services Act 2013, as amended from time to time, and any re-enactment thereof
FYE	:	Financial year ended
IFB	:	ING Funds Berhad (now known as Kenanga Funds Berhad) (200301017657 (620077-K))
K & N	:	K & N Kenanga Holdings Berhad (199401017181 (302859-X))
KFB	:	Kenanga Funds Berhad (formerly known as ING Funds Berhad) (200301017657 (620077-K))
KIBB or the Issuer or the Bank or Company	:	Kenanga Investment Bank Berhad (197301002193 (15678-H))
KIBB Group or Group	:	KIBB and its subsidiaries
KIB	:	Kenanga Investors Berhad (199501024358 (353563-P))
Listing	:	Listing of and quotation for the Structured Warrants on the Structured

DEFINITIONS (Cont'd)

		Warrants Board of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
LKR	:	Sri Lankan Rupee
LPD	:	19 March 2020, being the latest practicable date before the registration of this Base Prospectus
Market Day	:	(i) In relation to Structured Warrants issued over Underlying Shares or Underlying ETF, means a day (other than Saturday, Sunday or public holiday) on which the relevant Securities Exchange(s) is/(are) open for trading during the normal trading hours in the respective place where the relevant Underlying Shares or Underlying ETF and Structured Warrants are quoted and traded; or (ii) In relation to Structured Warrants issued over an Underlying Index, means a day (other than Saturday, Sunday or public holiday) on which the relevant Securities Exchange is open for trading during the normal trading hours in the place where the relevant Underlying Index is compiled and published and the Structured Warrants are quoted and traded, as the case may be
Market Making	:	The act of entering bid and offer prices in the automated trading system of Bursa Securities to provide liquidity for investors to buy and sell Structured Warrants
PRS	:	Private Retirement Scheme
Record of Depositors	:	The record provided by Bursa Depository to a listed issuer under chapter 24.0 of the Rules of Bursa Depository
Rules of Bursa Depository	:	The Rules of Bursa Depository as issued under the SICDA
RM and sen	:	Ringgit Malaysia and sen, respectively
ROC	:	The Registrar of Companies
Securities Exchange(s)	:	Such securities exchange or quotation system in Malaysia and securities exchange outside Malaysia in which the Underlying Shares or Underlying ETF or the Underlying Index or Structured Warrants are quoted and/or traded as specified in the relevant Term Sheets
SC	:	Securities Commission Malaysia
SGD	:	Singapore Dollars
SICDA	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time, and any re-enactment thereof
SR	:	Saudi Riyal

DEFINITIONS (Cont'd)

- Structured Warrants : Non-collateralised structured warrants proposed to be issued by the Issuer which include:
- (i) American style cash settled call/put warrants over a single equity;
 - (ii) American style cash settled call/put warrants over a basket of equities;
 - (iii) American style cash settled call/put warrants over a single index;
 - (iv) American style cash settled call/put warrants over an ETF;
 - (v) European style cash settled call/put warrants over a single equity;
 - (vi) European style cash settled call/put warrants over a basket of equities;
 - (vii) European style cash settled call/put warrants over a single index;
 - (viii) European style cash settled call/put warrants over an ETF;
 - (ix) European style cash settled CBBCs over a single equity;
 - (x) European style cash settled CBBCs over a single index;
 - (xi) European style cash settled CBBCs over an ETF; and
 - (xii) Bull ELS,

where the equity(ies) and ETF are listed on, and indices are based on Bursa Securities and/or Securities Exchanges outside Malaysia which are members of the World Federation of Exchanges or are approved by Bursa Securities

Reference to “Structured Warrant” may mean any one of the Structured Warrants in this definition.

- Term Sheet(s) : The document containing the specific terms and conditions and information on a specific series of Structured Warrants, to be issued by us from time to time and which shall be supplemental to and should be read in conjunction with this Base Prospectus
- Underlying Company(ies) : In relation to a particular series of Structured Warrants, the company(ies) or corporation(s) that has/(have) issued the Underlying Shares
- Underlying ETF(s) : In relation to a particular series of Structured Warrants, the units of ETF which are the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet
- Underlying Index : In relation to a particular series of Structured Warrants, the index which is the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet
- Underlying Index Sponsor : In relation to a particular series of Structured Warrants, the index sponsor which compiles and publishes the Underlying Index, as specified in the relevant Term Sheet
- Underlying Instrument(s) : In relation to a particular series of Structured Warrants, the Underlying Share or Underlying ETF or Underlying Index as specified in the relevant Term Sheet
- Underlying Shares : In relation to a particular series of Structured Warrants, the shares or

DEFINITIONS *(Cont'd)*

		shares comprising the basket of shares, which are the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet
VND	:	Vietnamese Dong
Warrantholder(s)	:	The person or persons whose names for the time being appear on the Record of Depositors for the Structured Warrants
Warrant Agency Agreement	:	The warrant agency agreement dated 13 May 2020 entered into between the Issuer and the Warrant Registrar in relation to the Structured Warrants, may be amended, modified or supplemented from time to time. The Warrant Agency Agreement contains provisions for the indemnification of the Warrant Registrar
Warrant Registrar	:	Boardroom Share Registrars Sdn. Bhd. (199601006647 (378993-D)), being the registrar for the Structured Warrants

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GLOSSARY OF TECHNICAL TERMS RELATING TO THE STRUCTURED WARRANTS

- American style : An American style warrant may be exercised at any time up to and including on the expiry date
- Bull equity-linked structures or Bull ELS : Contract under which the Warranholder has the right to receive on the settlement date:
- (i) the principal amount plus the enhanced yield amount, where the closing price of the underlying share on expiry date is at or above the exercise price; or
 - (ii) a specified number of underlying shares or an amount in the form of cash calculated by reference to the price of the Underlying Share, where the closing price of the underlying share on expiry date is below the exercise price
- Callable bull/bear certificate or CBBC : Contract under which upon the occurrence of a Mandatory Call Event, will be called and terminated by the issuer before its expiry date. A Warranholder shall have actual, contingent or prospective right to receive a cash amount, depending on the fluctuations in the value or price of an Underlying Instrument, and the amount will be calculated in accordance with the contract
- Call price or call level : Means the pre-specified price or level of the Underlying Instrument (as specified in the relevant Term Sheet) at which the Issuer must call the warrants before its expiry date subject to any adjustments as may be necessary in accordance to the terms and conditions of the Structured Warrants as set out in Annexure I to this Base Prospectus
- Call warrant : Contract under which the Warranholder has the right but not the obligation to buy, a specified number of Underlying Instrument at a specified price/level on or by a specified future date according to the terms of issue (physical-settled) or to receive cash payment (cash-settled) based on the price/level of the Underlying Instrument and exercise price/level of the call warrant
- Delta : The relationship between the expected change in the warrant price and the corresponding change in the Underlying Instrument price, as follows:
- $$\frac{\text{Change in the warrant price} \times \text{Exercise Ratio}}{\text{Change in the Underlying Instrument price}}$$
- For illustrative purposes, for a call/put warrant with an Exercise Ratio of 2, a delta of 0.50 (call warrant) or -0.50 (put warrant) implies that if the value of the Underlying Instrument changes by 20 sen, then the value of the call/put warrant should change by 5 sen
- Effective gearing : A measure of the theoretical change in the call/put warrant or CBBC price for a 1% change in the Underlying Instrument price. The formula for effective gearing is as follows:

GLOSSARY OF TECHNICAL TERMS RELATING TO THE STRUCTURED WARRANTS (Cont'd)

Gearing x Delta

For illustrative purposes only, a gearing of 10 and a delta of 0.50 would equate to an effective gearing multiple of 5 times, which implies that every RM1.00 exposure in a warrant could equate to an effective exposure of RM5.00 in the Underlying Instrument

- Exchange-Traded Fund : A listed index-tracking fund structured as a collective investment scheme or any other approved structures whose primary objective is to achieve returns that correspond to the performance of a particular index
- Exercise level : The pre-specified level of the Underlying Index as determined by the Issuer at which the Holders may exercise the right under the series of Structured Warrants. The exercise level is subject to any adjustment as may be necessary in accordance to the terms and conditions of the Structured Warrants as set out in Annexure I to this Base Prospectus and as specified in the relevant Term Sheet
- Exercise price : The pre-specified price of the Underlying Shares or Underlying ETF(s) as determined by the Issuer at which the Holders may exercise the right under the series of Structured Warrants. The exercise price is subject to any adjustment as may be necessary in accordance to the terms and conditions of the Structured Warrants as set out in Annexure I to this Base Prospectus and as specified in the relevant Term Sheet
- Exercise style : A Structured Warrant may be exercised either in European style or American style in accordance with the terms of issue
- European style : A European style warrant may only be exercised on the expiry date
- Exercise Ratio/ Entitlement : The number of Structured Warrants to which one (1) Underlying Instrument relates, as specified in the relevant Term Sheet. The exercise ratio / entitlement is subject to any adjustment as may be necessary in accordance to the terms and conditions of the Structured Warrants as set out in Annexure I to this Base Prospectus and as specified in the relevant Term Sheet
- Gearing : A measure of the ratio of Underlying Instruments to which exposure is gained by purchasing one (1) call/put warrant or CBBC. The formula for gearing is as follows:-

$$\frac{\text{Underlying Instrument price}}{\text{Warrant price x Exercise Ratio}}$$

For illustrative purposes, for a warrant with an Exercise Ratio of 2, a gearing of 10 implies that every RM1.00 exposure in the warrant could equate to an exposure of RM20.00 in the Underlying Instrument.

- Implied volatility : A measure of an Underlying Instrument's expected volatility as reflected by the market price of the traded warrant on that Underlying Instrument using an appropriate model

All things being equal, in general the higher the expected volatility, the higher the warrant price

GLOSSARY OF TECHNICAL TERMS RELATING TO THE STRUCTURED WARRANTS (Cont'd)

- In-the-money** : (i) A call warrant or callable bull certificate is in-the-money when the price/level of the Underlying Instrument is above the exercise price/level of the call warrant or callable bull certificate, i.e. when the call warrant or callable bull certificate has an intrinsic value;
- (ii) A put warrant or callable bear certificate is in-the-money when the price/level of the Underlying Instrument is below the exercise price/level of the put warrant or callable bear certificate, i.e. when the put warrant or callable bear certificate has an intrinsic value
- Intrinsic value** : Amount by which the price of the Underlying Instrument exceeds the exercise price/level of the call warrant or callable bull certificate, or the amount by which the price of the Underlying Instrument is below the exercise price/level of the put warrant or callable bear certificate
- Mandatory Call Event** : The first occurrence at any time before the expiry date of CBBC where the transacted price/level of the Underlying Instrument is at or below (in respect of a callable bull certificate) or at or above (in respect of a callable bear certificate) the call price/level and upon which the CBBC will be called by the Issuer
- Out-of-the-money** : (i) A call warrant or callable bull certificate is out-of-the-money when the price/level of the Underlying Instrument is below the exercise price/level of the call warrant or callable bull certificate, i.e. when the call warrant or callable bull certificate does not have any intrinsic value; and
- (ii) A put warrant or callable bear certificate is out-of-the-money when the price/level of the Underlying Instrument is above the exercise price/level of the put warrant or callable bear certificate, i.e. when the put warrant or callable bear certificate does not have any intrinsic value
- Premium** : The premium of call warrant or callable bull certificate is based on the following computation:
- $$\frac{(\text{Call warrant or callable bull certificate price} \times \text{Exercise Ratio}) + \text{Exercise price} - \text{Underlying Instrument price}}{\text{Underlying Instrument price}}$$
- The premium of put warrant or callable bear certificate is based on the following computation:
- $$\frac{\text{Underlying Instrument price} - [\text{Exercise price} - (\text{Put warrant or callable bear certificate price} \times \text{Exercise Ratio})]}{\text{Underlying Instrument price}}$$
- Put Warrant** : Contract under which a Warrantholder has the right but not the obligation to sell a specified number of Underlying Instrument (physical-settled) at a specified price/level or by a specified future date or to receive a cash payment (cash-settled) based on the price/level of

GLOSSARY OF TECHNICAL TERMS RELATING TO THE STRUCTURED WARRANTS *(Cont'd)*

	the Underlying Instrument and exercise price/level of the put warrant
Strike price	: In relation to a particular series of Bull ELS, the strike price is the pre-specified price as determined by the Issuer and as specified in the relevant Term Sheet
VWAP	: Volume weighted average price
Warrants	: Warrants are leveraged financial instruments that derive their value from some other Underlying Instrument, which includes equities, a basket of different equities, an index or an ETF, and can provide exposure referenced to the Underlying Instrument

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1. CORPORATE DIRECTORY

Directors

Name	Address	Occupation	Nationality
Izlan Bin Izhab <i>(Chairman/ Independent Non-Executive Director)</i>	No. 9, Jalan SS14/5C 47500 Subang Jaya Selangor Darul Ehsan	Company Director	Malaysian
Datuk Syed Ahmad Alwee Alsree <i>(Deputy Chairman/ Non-Independent Non-Executive Director)</i>	Demak Jaya 936 Jalan Bako 93250 Kuching Sarawak	Company Director	Singaporean/ Permanent Resident of Malaysia
Dato' Richard Alexander John Curtis <i>(Non-Independent Non-Executive Director)</i>	38A, Jalan Tengku Ampuan Taman Duta 50480 Kuala Lumpur Wilayah Persekutuan	Company Director	British/ Permanent Resident of Malaysia
Luigi Fortunato Ghirardello <i>(Non-Independent Non-Executive Director)</i>	25 Namly Place 267172 Singapore	Company Director	Australian
Ismail Harith Merican <i>(Non-Independent Non-Executive Director)</i>	No. 9, Jalan 12/19 46200 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Luk Wai Hong, William <i>(Independent Non-Executive Director)</i>	7C Balmoral Park #07-02 Singapore 259865	Company Director	Hong Kong
Jeremy Bin Nasrulhaq <i>(Independent Non-Executive Director)</i>	No. 1, Jalan BU3/3 Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan	Company Director	Malaysian
Norazian Binti Ahmad Tajuddin <i>(Independent Non-Executive Director)</i>	No. 4, Jalan Paya Lebar Empat 27/10D Seksyen 27 40400 Shah Alam Selangor Darul Ehsan	Company Director	Malaysian
Kanagaraj Lorenz <i>(Independent Non-Executive Director)</i>	No. 74, Jalan Pudina Bukit Bandaraya, Bangsar 59000 Kuala Lumpur Wilayah Persekutuan	Company Director	Malaysian

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1. CORPORATE DIRECTORY (Cont'd)

Audit Committee

As at the LPD, our Audit Committee comprises the following members:-

Name	Designation	Directorship in KIBB
Jeremy Bin Nasrulhaq	Chairman	Independent Non-Executive Director
Izlan Bin Izhab	Member	Independent Non-Executive Director
Luk Wai Hong, William	Member	Independent Non-Executive Director
Kanagaraj Lorenz	Member	Independent Non-Executive Director
Ismail Harith Merican	Member	Non-Independent Non-Executive Director

Group Board Risk Committee ("GBRC")

As at the LPD, our GBRC comprises the following members:-

Name	Designation	Directorship in KIBB
Luk Wai Hong, William	Chairman	Independent Non-Executive Director
Norazian Binti Ahmad Tajuddin	Member	Independent Non-Executive Director
Kanagaraj Lorenz	Member	Independent Non-Executive Director
Luigi Fortunato Ghirardello	Member	Non-Independent Non-Executive Director
Dato' Richard Alexander John Curtis	Member	Non-Independent Non-Executive Director

Group Nomination & Remuneration Committee

As at the LPD, our Group Nomination & Remuneration Committee comprises the following members:-

Name	Designation	Directorship in KIBB
Norazian Binti Ahmad Tajuddin	Chairman	Independent Non-Executive Director
Luk Wai Hong, William	Member	Independent Non-Executive Director
Jeremy Bin Nasrulhaq	Member	Independent Non-Executive Director
Datuk Syed Ahmad Alwee Alsree	Member	Non-Independent Non-Executive Director
Luigi Fortunato Ghirardello	Member	Non-Independent Non-Executive Director

Company Secretary	Norliza Binti Abd Samad (MAICSA 7011089)/SSM Practicing Certificate No. 201908002139 No. 4, Jalan Anjung 5 Taman Anjung Melati 68100 Batu Caves Selangor Darul Ehsan
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1. CORPORATE DIRECTORY (Cont'd)

Registered Office/Head Office	Level 17, Kenanga Tower 237, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan Telephone no.: (03) 2172 2888 Facsimile no.: (03) 2172 2999 Email: kenanga@kenanga.com.my Website: www.kenanga.com.my
Auditors	Ernst & Young PLT (202006000003 (LLP0022760-LCA) & AF 0039) Level 23A, Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Wilayah Persekutuan Telephone no.: (03) 7495 8000 Facsimile no.: (03) 2095 5332
Solicitors	Messrs. Chooi & Company + Cheang & Ariff CCA @ BANGSAR Level 5, Menara BRDB 285, Jalan Maarof Bukit Bandaraya 59000 Kuala Lumpur Telephone no.: (03) 2055 3888 Facsimile no.: (03) 2055 3880
Issuer	Kenanga Investment Bank Berhad (197301002193 (15678-H)) Level 17, Kenanga Tower 237, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan Telephone no.: (03) 2172 2888 Facsimile no.: (03) 2172 2999
Warrant Registrar	Boardroom Share Registrars Sdn. Bhd. (199601006647 (378993-D)) 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Darul Ehsan Telephone no.: (03) 7890 4700 Facsimile no.: (03) 7890 4670
Rating Agency	Malaysian Rating Corporation Berhad (199501035601 (364803-V)) 19-07, Level 19, Q Sentral 2A Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Wilayah Persekutuan Telephone no.: (03) 2717 2900 Facsimile no.: (03) 2717 2910
Listing Sought	We will seek the approval of Bursa Securities for the listing of and quotation for the Structured Warrants on the Structured Warrants Board of Bursa Securities

2. INTRODUCTION

This Base Prospectus is dated 18 May 2020 and is valid until 17 May 2021.

We have registered a copy of this Base Prospectus with the SC. We have also lodged a copy of this Base Prospectus with the ROC. Neither the SC nor the ROC takes any responsibility for the contents of this Base Prospectus.

We will submit an application to Bursa Securities for the admission, listing of and quotation for each series of Structured Warrants. The Structured Warrants will be listed and traded on the Structured Warrants Board of Bursa Securities, subject to the approval of Bursa Securities.

Pursuant to the Listing Requirements, the additional terms relating to each series of Structured Warrants will be set out in a Term Sheet which will be supplemental to, and should be read in conjunction with, this Base Prospectus.

Under Section 14(1) of the SICDA, Structured Warrants are prescribed securities, which are required to be deposited directly with Bursa Depository into the Central Depository System. Consequently, any dealings in these Structured Warrants will be carried out in accordance with the SICDA and the Rules of Bursa Depository.

The listing of and quotation for each series of the Structured Warrants on the Structured Warrants Board of Bursa Securities are subjected to the following:-

- (i) On initial listing, there must be a minimum number of a hundred (100) Warrantholders holding not less than one (1) board lot (equivalent to one hundred (100) units of Structured Warrants) of the relevant series of Structured Warrants each, or at least fifty (50) Warrantholders subscribing for a minimum value of RM100,000 each of the relevant series of Structured Warrants (except for the Bull ELS or if we provide liquidity for the Structured Warrants issue via Market Making); and
- (ii) Each issue of the Structured Warrants must meet the minimum total face amount of RM5 million.

You should rely only on the information contained in this Base Prospectus and the relevant Term Sheets in respect of the Offer. We have not authorised anyone to give you any information that is not contained in this Base Prospectus and the relevant Term Sheets.

Please note that we may update or amend information in this Base Prospectus from time to time by way of successor documents. You should ask us if any supplement to this Base Prospectus or any later Base Prospectus has been issued. Any supplement to this Base Prospectus or any later Base Prospectus will be available on Bursa Securities' website, www.bursamalaysia.com. These documents will also be available for inspection at our registered office or the office of the Warrant Registrar during office hours for a period of twelve (12) months from the date of this Base Prospectus.

The distribution of this Base Prospectus and the sale of the Structured Warrants in certain other jurisdictions outside Malaysia may be restricted by law. You should be aware of any restrictions and observe them. This Base Prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for or an offer to sell any Structured Warrants in any jurisdiction, in which such invitation or offer is unauthorised or unlawful or to any persons to whom it is unlawful to make such an invitation or offer.

You should rely on your own evaluation to assess the merits and risks of the Offer and an investment in the Structured Warrants. In considering the investment, if you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

3. SUMMARY INFORMATION

This summary highlights some salient information about the Offer and us. You should read and understand the whole Base Prospectus and the relevant Term Sheet before you decide whether to invest in the Structured Warrants.

3.1 The Offer

We propose to issue the following non-collateralised structured warrants:

- (i) American style cash settled call/put warrants over a single equity;
- (ii) American style cash settled call/put warrants over a basket of equities;
- (iii) American style cash settled call/put warrants over a single index;
- (iv) American style cash settled call/put warrants over an ETF;
- (v) European style cash settled call/put warrants over a single equity;
- (vi) European style cash settled call/put warrants over a basket of equities;
- (vii) European style cash settled call/put warrants over a single index;
- (viii) European style cash settled call/put warrants over an ETF;
- (ix) European style cash settled CBBCs over a single equity;
- (x) European style cash settled CBBCs over a single index;
- (xi) European style cash settled CBBCs over an ETF; and
- (xii) Bull ELS,

where the equity(ies) and ETF are listed on, and indices are based on Bursa Securities and/or Securities Exchanges outside Malaysia which are members of the World Federation of Exchanges or approved by Bursa Securities.

We will issue the Structured Warrants from time to time by way of Market Making through this Base Prospectus supported by a Term Sheet to be issued before we issue each series of the Structured Warrants.

Further information on the Offer and the Structured Warrants are set out in Sections 5 and 6 of this Base Prospectus respectively.

3.2 Information on KIBB

Our Company was incorporated in Malaysia under the Act on 6 September 1973 as a private company under the name of K & N Kenanga Sdn. We subsequently converted to a private limited company under the name of K & N Kenanga Sdn Bhd on 10 May 1975. Following the conversion to a public limited company on 7 December 1995, our name was changed to K & N Kenanga Bhd. We assumed our present name, Kenanga Investment Bank Berhad since 5 January 2007 when we were granted the investment bank status. We are a financial institution under the FSA and are regulated by BNM, the SC and Bursa Securities.

On 7 June 1994, our holding company, K & N was incorporated following a restructuring exercise which involved the entire issued and paid-up share capital of KIBB being acquired by K & N via the issuance of new ordinary shares of RM1.00 each in K & N to the existing shareholders of KIBB. Upon completion of the exercise, KIBB became a wholly-owned subsidiary of K & N. Subsequently, K & N was listed on the Main Board of Bursa Securities on 8 October 1996.

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3. SUMMARY INFORMATION (Cont'd)

In May 2002, we were granted universal broker status by the SC. On 13 October 2005, BNM and the SC jointly announced that the framework on investment banks was to be extended to universal brokers. This move was aimed towards further enhancing the capacity and capabilities of domestic capital market intermediaries to contribute towards the development of a more resilient, competitive and dynamic financial system and support economic transformation. In line with the move, we were granted a licence by the Minister of Finance II under Section 6(4) of the then BAFIA to carry on merchant banking business in Malaysia with effect from 5 January 2007 (with effect from 30 June 2013, BAFIA has been replaced with FSA).

We attained investment banking status in 2007 and have since been actively pursuing various initiatives to strengthen our investment banking platform. Today, we offer a wide range of financial products and services such as Structured Warrants, margin financing, structured lending and structured debt instrument via our corporate and institutional coverage, corporate finance, debt capital markets, equity capital markets, corporate banking, Islamic finance, equity broking, equity derivatives, treasury, as well as investment research and advisory services. We also offer fund management, derivatives broking and structured financing via our subsidiaries.

On 1 November 2016, KIBB Group had completed an internal reorganisation of its corporate structure where the identified assets and liabilities, as well as the businesses of K & N were transferred to KIBB. On 2 November 2016, K & N transferred its listing status on the Main Market of Bursa Securities to KIBB and hence, KIBB became the primary operating and listed entity of KIBB Group.

As at the LPD, KIBB's issued share capital is RM246,248,530 comprising 722,741,399 ordinary shares.

Please refer to Section 6.1.4 for the diagram of KIBB Group structure and Section 6.6 for our subsidiaries and associate companies.

3.3 Purpose of the Offer

The purpose of the Offer is to participate and contribute to the development of Structured Warrants market in Malaysia. The trading of Structured Warrants also enables us to earn revenue in which the proceeds from the Offer will be utilised for our general working capital requirements and to defray expenses for the Offer.

3.4 Risk Factors in relation to Structured Warrants

Before investing in the Structured Warrants, you should carefully consider the risk factors summarised below which may not be exhaustive and the risk factors on the relevant Underlying Instruments set out in the relevant Term Sheets to be issued, in addition to other information contained elsewhere in this Base Prospectus and the relevant Term Sheets.

Investment in the Structured Warrants involves different risks including our credit risk and the risk that you may sustain total loss of your investment in the Structured Warrants.

You should consider carefully whether the Structured Warrants are suitable for you taking into account your experience, objectives, financial position and other relevant circumstances. The Structured Warrants are not suitable for investors who do not have adequate knowledge in options and warrants.

Some of the risks involved are as set out below:-

- (i) Risks relating to the Issuer:-

3. SUMMARY INFORMATION *(Cont'd)*

- Credit risk

If you intend to purchase our Structured Warrants, you should be aware that you will be relying on the creditworthiness of our Company alone. You must therefore make your own assessment of the credit risk associated with KIBB and our ability to perform our obligations in respect of Structured Warrants. Credit ratings assigned by rating agencies reflect their opinion on our credit risk, which is only one aspect of any investment decision, and ratings are subject to change.

- Trading by KIBB Group

KIBB Group may at any time purchase or buy-back the Structured Warrants and become the holder of the Structured Warrants. We or any other member of the KIBB Group may also trade in the Structured Warrants, the Underlying Shares or any other securities and financial products relating to any of the Underlying Companies, Underlying ETF or Underlying Index. These trading activities may affect (positively or negatively) the price at which the Structured Warrants, the Underlying Shares or the Underlying ETF (as the case may be) are traded on Bursa Securities or other Securities Exchange outside Malaysia.

- Exercise of discretion by us

You should note that the Section 1: Form, Status, Title and Administration of the Conditions stated in Annexure I – Principal Terms of the Deed Poll grants us the discretion to make adjustments in circumstances contemplated under the Conditions for instance in the event of rights issue, bonus issue, subdivision or consolidation and capital repayment and to determine the applicable valuation period under the Conditions, which could affect the price of the Structured Warrants.

- No investigation or review performed on the Underlying Companies or the Underlying ETF or the Underlying Index Sponsor or the companies constituting the Underlying Index or the Underlying ETF

We have not performed any investigation or review of the business operations and prospects of the Underlying Companies, the Underlying ETF, the Underlying Index Sponsor or the companies constituting the Underlying Index. Therefore, you should not assume that the issue of any Structured Warrants represents a recommendation by us of an investment in the Underlying Companies, Underlying Index, Underlying ETF, or the companies constituting the Underlying Index.

- Potential and actual conflict of interest situations arising from the business activities of the KIBB Group

As a liquidity provider, KIBB Group may effect transactions for its account or for its customers and may hold positions in the Underlying Instruments and/or related derivatives. We may also enter into hedging transactions with respect to the Underlying Instruments correspondent to the Structured Warrants. In the ordinary course of business of the KIBB Group, we may also possess or acquire material information about the Underlying Instruments.

The above activities and information involve or otherwise affect the issuers of the Underlying Instruments in a manner which may cause adverse consequences to the Warrantholders or otherwise create conflicts of interests in connection with the issue of Structured Warrants. We may also issue other derivative instruments in respect of the same Underlying Instrument which may compete with the

3. SUMMARY INFORMATION (Cont'd)

Structured Warrants and may affect the price of the Structured Warrants. KIBB Group has no obligation to disclose such information about the Underlying Instrument or such activities unless it is required by the laws and regulations.

- Early termination due to liquidation dissolution or winding-up

Should we be liquidated or dissolved, or a receiver and/or administrator be appointed in respect of the whole or substantial part of our undertakings, properties or assets, there is a risk that the Structured Warrants may be cancelled before the relevant expiry date of such Structured Warrants and cause you to suffer a loss or a reduced profit.

(ii) Risks relating to the Structured Warrants:-

- General investment risks

The Structured Warrants are considered to be suitable only for those who fully understand the risks involved and are prepared to sustain a complete loss of the purchase price paid for the Structured Warrants. Fluctuations in the price/level of the Underlying Instruments will affect the price of the Structured Warrants but not necessarily in the same magnitude and direction.

This Base Prospectus does not take into account an investor's particular investment needs, objectives, or financial or taxation circumstances. You should therefore consider carefully whether the Structured Warrants is suitable for you taking into account your circumstances and financial position.

- Factors affecting the price of the Structured Warrants

The price at which the Structured Warrants trade on Bursa Securities depends on, amongst others, the exercise price/level of the Structured Warrants, the bid-offer price, volatility and liquidity of the Underlying Shares and the Underlying ETF, the performance of the Underlying Index, the time remaining to expiration, changes in interim interest rates and dividend yields of the Underlying Companies and the depth of the secondary market.

The trading price of the Underlying Instruments is affected by the trading activity of the Underlying Instruments. In turn, the trading activity for the Underlying Instruments is influenced by the operational and financial conditions, future prospects and business strategy as well as changes in the regulatory and economic environment. Therefore, you are warned that the price of the Structured Warrants may fall in value as rapidly as it may rise. Changes in the price of the Underlying Instruments can be unpredictable, sudden and large, and such changes may result in the price of the Structured Warrants to move in a direction which may have a negative impact on the return of your investment.

- Time decay

The Structured Warrants have expiry dates and therefore, a limited life. The value Structured Warrants are likely to decrease over time as it nears expiry. After expiry, the Structured Warrants will cease to be traded. It is possible that the Structured Warrants will expire without the Warranholders' expectations being realised.

3. SUMMARY INFORMATION (Cont'd)

- Warrantheolders do not have similar rights as the holders of the Underlying Shares, the Underlying ETF or the shares of the companies constituting the Underlying Index

The Structured Warrants do not confer on the Warrantheolders any rights to the Underlying Shares, the Underlying ETF or the shares of the companies constituting the Underlying Index. Accordingly, if our Company becomes insolvent, Warrantheolders will not have any direct rights over the Underlying Shares, the Underlying ETF, the Underlying Index or the shares of the companies constituting the Underlying Index or Underlying ETF.

The Bull ELS do not confer Warrantheolders any rights to Underlying Shares, except when the Underlying Shares has been delivered to the Warrantheolders in accordance with the Conditions for the Bull ELS over local Underlying Shares. Bull ELS over foreign Underlying Shares are cash-settled and Warrantheolders of such Bull ELS do not have any rights to the Underlying Shares.

- Risk of "European Style" Structured Warrants

European style Structured Warrants are only exercisable on their expiry date. Accordingly, on the expiry date, if the cash settlement amount is zero or negative, you will lose the entire value of your investment.

- Gearing effect and correlation

The gearing provided by investing in the Structured Warrants means that the risk of investment may be greater than in the case of an investment of the same amount in the Underlying Instruments. There is no assurance that the price of the Structured Warrants will correlate with the movements in price or level of the Underlying Instruments. You should therefore understand these risks fully before investing in the Structured Warrants.

- No prior market for the Structured Warrants or insufficient market information on the Underlying Shares and/or ETF

As there has been no recent or prior market for a particular series of Structured Warrants before its issuance, there can be no assurance that an active market for a particular series of Structured Warrants will develop upon its listing, or if developed, that such market will sustain throughout the life of the Structured Warrants.

- Impact of corporate actions

Corporate events relating to the Underlying Instruments require, or as the case may be, permit us to make adjustments or amendments to, amongst others, the exercise price or exercise level of the Structured Warrants, but only to the extent provided for in the Conditions. Corporate events in respect of which no adjustment is made to the exercise price/level, exercise ratio or any part of the Terms may cause the Structured Warrants to be out-of-the-money and/or affect the trading price of the Structured Warrants and your return from the Structured Warrants.

You are advised to refer to Annexure I – Principal Terms of the Deed Poll of this Base Prospectus, and the Term Sheets for events that may cause adjustments to the exercise price, exercise level, call price or call level, component and/or number of Underlying Instruments. You are strongly advised to understand the effects of such adjustments on your investment in the Structured Warrants.

3. SUMMARY INFORMATION *(Cont'd)*

- KIBB discretion to determine the underlying index level

Certain events relating to an index permit us to determine the level of the index based on the formula and method of calculating the index before the occurrence of such events or deem the relevant series of Structured Warrants to be exercised and settled in cash.

- Impact of investment decisions entered by the trustee or management company of the ETF

KIBB Group is not able to control or predict the actions of the trustee or the manager of the relevant Underlying ETF. The trustee or manager of the relevant Underlying ETF is responsible for making investment and other trading decisions with respect to the management of the relevant Underlying ETF. Therefore, the manner in which the relevant Underlying ETF is managed and the timing of actions may have a significant impact on the performance of the relevant Underlying ETF.

- Tracking error in the price of the Underlying ETF

The fees and expenses incurred by the Underlying ETF such as transactional expenses and taxes incurred may result in the trading price of the ETF Units varying from the net asset value ("NAV") per ETF Unit and in turn affecting the price of our Structured Warrants.

- Economic, political and regulatory uncertainties

The financial and business prospects of an Underlying Company, the performance of the Underlying Index or the Underlying ETF may be affected by economic, political and regulatory uncertainties.

- Market disruption and settlement disruption events

You should note that there may be a delay in the determination and/or payment of the cash settlement or delivery of the physical settlement upon the exercise or expiry of the Structured Warrants if there is a market disruption event or settlement disruption event.

- Exchange rate risk

You should note that there may be an exchange rate risk where the cash settlement amount may be converted from a foreign currency into Ringgit Malaysia or the Underlying Instrument may be denominated in a foreign currency.

(iii) Risks relating to the Structured Warrants over CBBCs:-

- General investment risks

The CBBCs are considered to be suitable only for those who fully understand the risks involved and are prepared to sustain a complete loss of the purchase price paid for the CBBCs. The price of the CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of your investment.

- Mandatory Call Event is irrevocable

A Mandatory Call Event is irrevocable unless it is triggered as a result of the occurrence of any of the following events:

3. SUMMARY INFORMATION (Cont'd)

- (i) system malfunction or other technical errors of the relevant Securities Exchange; or
- (ii) manifest errors caused by the relevant third party price source.

In each case, mutual agreement must be reached between Bursa Securities and KIBB to reverse the Mandatory Call Event, reinstate any cancelled trade and resume the trading of CBBCs in accordance with the rules prescribed by Bursa Securities from time to time.

- Delay in announcement of Mandatory Call Event

There may be a delay in the announcement of a Mandatory Call Event due to technical errors, system failures and/or other factors that are beyond our control and the control of Bursa Securities.

- Non-recognition of Post Mandatory Call Event Trades

After the occurrence of the suspension of trading of the CBBCs and termination of the same due to a Mandatory Call Event, all subsequent trades in the CBBCs executed after the Mandatory Call Event will be cancelled and will not be recognised by us or Bursa Securities.

- Fluctuation in the funding cost

The purchase price paid by you for the CBBCs will include funding cost. The funding cost can be considered as the interest paid by investors to the Issuer for borrowing money (for callable bull certificates) or stocks (for callable bear certificates) for investment. The funding cost is determined based on the following:

- (i) the Issuer's financing rate (for callable bull certificates) or the stock borrowing costs (for callable bear certificates), after adjustments for any expected dividend yields of the Underlying Shares or Underlying ETF; and
- (ii) the profit margin charged by the Issuer for issuing CBBCs.

The funding cost fluctuates throughout the life of the CBBCs, as it is affected by one or more of the following factors, including but not limited to:

- the supply and demand of the Underlying Instruments being financed or borrowed;
- the liquidity, the volatility and the risk of hedging the Underlying Instrument at the point of time;
- the prevailing market interest rates; and/or
- the remaining time to expiry of the CBBCs

- Hedging and unwinding of hedging activities may affect the value of CBBCs

Our trading or the hedging activities of the companies within KIBB Group related to the CBBCs and/or other financial instruments issued by us from time to time may have an impact on the price or level of the Underlying Instruments and may trigger a Mandatory Call Event.

Upon the occurrence of a Mandatory Call Event, we or our related parties may unwind any hedging transactions relating to the CBBCs. Such unwinding activities after the occurrence of a Mandatory Call Event may affect the price/level of the Underlying Instruments and consequently the cash settlement amount for the Warrantheholders.

3. SUMMARY INFORMATION (Cont'd)

- Limited life of the CBBCs

The Structured Warrants have expiry dates and therefore, a limited life. In the case of CBBC, the lifespan may even be shorter if a Mandatory Call Event occurs before the expiry date.

(iv) Factors affecting liquidity:-

- Suspension in the trading of the Underlying Instruments and/or Structured Warrants

If the trading in the Underlying Shares or Underlying ETF or options or futures relating to the relevant Underlying Index is suspended on Bursa Securities or the relevant Securities Exchange outside Malaysia (which is beyond our control), or if the relevant Underlying Index is not calculated, then trading in the Structured Warrants on Bursa Securities may also be suspended for a similar period if Bursa Securities deems such action advisable in the public interest or to protect investors.

If Bursa Securities does not suspend the trading of the Structured Warrants, we may still request for a suspension in the trading of the Structured Warrants. However, the suspension of the trading of the Structured Warrants, the Underlying Instruments on Bursa Securities, or the relevant Securities Exchange outside Malaysia, shall not preclude the Warranholders from exercising their rights under the Structured Warrants. However, we may in our absolute discretion make adjustments to the rights attaching to the Structured Warrants so far as we are reasonably able to do so without materially prejudicing Warranholders' rights.

- Trading liquidity of our Structured Warrants

There can be no assurance that an active market for the Structured Warrants will develop upon their listing, or if developed, that such market will sustain throughout the life of the Structured Warrants.

- Delay in or abortion of the Listing

The occurrence of certain events, including but not limited to the following, may cause a delay in or abortion of the Listing for each series of the Structured Warrants on Bursa Securities:

- (i) we are unable to meet the public spread requirement as stipulated by Bursa Securities; or
- (ii) the minimum total face amount of RM5 million of the Structured Warrants is not met.

(v) Other risks:-

- Timeliness and limitation of information regarding the Underlying Companies and Underlying Instruments

Certain information of the Underlying Companies and Underlying Instruments may be obtained or extracted from third party sources. However, we provide no assurance on the timeliness, completeness of disclosure or availability of critical or material information of the Underlying Companies and Underlying Instruments, which was obtained from these third party sources. Investors should also be

3. SUMMARY INFORMATION (Cont'd)

aware that we have not independently verified the information obtained or extracted from the public or third party sources.

- Compliance with the relevant laws and regulations by the Underlying Companies or Underlying ETF or Underlying Index Sponsor

The failure of the Underlying Companies or Underlying Index Sponsor or the trustee, custodian, manager, registrar, service agent, participating dealer and/or other persons involved in constituting or undertaking the listing or trading of the Underlying ETF, to fully comply with the relevant laws, rules, regulations, guidelines, requirements or provisions imposed by the relevant authorities during the tenure of the Structured Warrants may affect the corresponding Underlying Instruments and in turn the relevant Structured Warrants.

- Risks related to the Covid-19 pandemic

The outbreak of the Covid-19 pandemic has had, and continues to have, significant economic ramifications, such as contractions in economic growth rates across the world. The slowdown in global and domestic consumption due to the implementation of movement restrictions and lockdowns may adversely affect the Underlying Companies' operations, which could in turn affect the Underlying Companies' financial position and future prospects.

Should the Covid-19 outbreak continue to cause disruptions to global and domestic economic activity, KIBB Group's financial position may be adversely impacted. Prolonged and material impact on KIBB Group's financial position may also cause a downward rating in KIBB Group credit rating profile, which could in turn affect the ability to meet our financial commitments as a Structured Warrants issuer.

In order to assess the severity of the Covid-19 pandemic, KIBB Group is actively monitoring and evaluating this fluid situation and shall take any additional actions as necessary. KIBB Group has also taken reasonable steps to prevent any severe communicable disease, such as Covid-19 pandemic, from significantly affecting its operational performance and financial position.

3.5 Risk Management

The Group manages risk as an integral part of its overall business strategy. It can be detrimental if risk management is left unchecked especially against a backdrop of rapidly changing financial landscape and increased uncertainty. It is important that the Group is able to respond to changes in the operating environment and developments in line with its' business strategies.

Group Risk Management division ("**GRM**") has developed an enterprise risk management framework as a pillar that encapsulates the risk management guidelines and practices that are prescribed by BNM, SC, Bursa Securities and other related regulatory bodies. Existing risk management guidelines and procedures by business units are in place to manage and monitor the day-to-day operations. The risk governance structure in the framework defines the roles and responsibilities throughout the organization to ensure accountability and ownership.

Under the risk governance structure, GRM provides oversight functions and independent monitoring of business activities and reporting to management, Group Risk Committee ("**GRC**"), GBRC (which comprises of the Non-Executive Directors of KIBB) and Board to ensure business is conducted and operated within the approved risk appetite and in compliance to regulations. GRM works closely with all business units and support departments to ensure risks have been appropriately identified and managed, help with

3. SUMMARY INFORMATION *(Cont'd)*

implementation of internal controls and collection of information to create an enterprise view of risks.

With the Board setting the risk appetite and tolerance level consistent with the Group's overall business objectives and desired risk profile, it is ultimately responsible to ensure there is proper oversight of the management of risks.

The Board, through GBRC ensures that the Group's activities are consistent with its approved risk appetite, strategies and policies. To support GBRC, the GRC consisting of members from senior management provides a forum to address and review the management of credit, operational, market, liquidity and other significant risks to enable effective oversight, accountability and responsibilities for risk taking decisions.

GRC meets regularly to discuss specific risks that are monitored, reviewed and are reported to the GBRC and to the Board. At the meetings, risk dashboards are presented and addressed:

- (i) Market risk, arising from fluctuations in the value of a trading or investment exposure from market risk factors such as interest/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices, and their associated volatility;
- (ii) Counterparty credit risk or in this context herein called credit risk, arising from the creditworthiness or losses to be incurred from the failure by the counterparty (such as the issuer of securities or other financial instruments held by the Group) to perform its contractual obligations to the Group;
- (iii) Liquidity risk, arising from a bank's inability to meet its present and future funding needs or regulatory obligations, when they come due, which may adversely affect its daily operations and incur unacceptable losses;
- (iv) Operational risk, arising from inadequate or failed internal processes, people and systems failures or from external events.
- (v) Technology risk, arising from failures or breaches of IT systems, applications, platforms or infrastructure.

In ensuring a standardised approach to risk management across the Group, all risk management teams within the Group are required to conform to the Group's enterprise risk management framework.

3.6 Experience in issuance and management of structured warrants

On 12 May 2008, 24 July 2009, 10 December 2010, 9 May 2012, 19 August 2013, 29 September 2014, 31 December 2015, 12 April 2017, 30 November 2017, 23 April 2018 and 14 May 2020, we issued Base Prospectus and Supplementary to the Base Prospectus relating to the offering of the following structured warrants:-

- (i) American style cash settled warrants over a single equity;
- (ii) American style cash settled warrants over a basket of equities;
- (iii) American style cash settled warrants over a single index;
- (iv) American style cash settled warrants over an ETF (introduced from 24 July 2009);
- (v) European style cash settled warrants over a single equity;
- (vi) European style cash settled warrants over a basket of equities;
- (vii) European style cash settled warrants over a single index;
- (viii) European style cash settled warrants over an ETF (introduced from 24 July 2009);
- (ix) European style cash settled CBBCs over a single equity (introduced from 10 December 2010);
- (x) European style cash settled CBBCs over a single index (introduced from 10 December 2010);

3. SUMMARY INFORMATION (Cont'd)

- (xi) European style cash settled CBCs over an ETF (introduced from 10 December 2010); and
- (xii) Bull ELS.

As at the LPD, we have issued the following Structured Warrants. A summary of our issuance of Structured Warrants is as follows:

Type	Exercise style	Settlement type	Number of Structured Warrants listed
<u>Issued under Base Prospectus dated 12 May 2008</u>			
Call Warrants	European	Cash	3
<u>Issued under Base Prospectus dated 24 July 2009</u>			
Call Warrants	European	Cash	16
<u>Issued under Base Prospectus dated 10 December 2010</u>			
Call Warrants	European	Cash	20
<u>Issued under Base Prospectus dated 9 May 2012</u>			
Call Warrants	European	Cash	21
<u>Issued under Base Prospectus dated 19 August 2013</u>			
Call Warrants	European	Cash	24
<u>Issued under Base Prospectus dated 29 September 2014</u>			
Call Warrants	European	Cash	88
Put Warrants	European	Cash	8
<u>Issued under Base Prospectus dated 31 December 2015</u>			
Call Warrants	European	Cash	112
Put Warrants	European	Cash	3
<u>Issued under Base Prospectus dated 12 April 2017 and First Supplementary Base Prospectus dated 30 November 2017</u>			
Call Warrants	European	Cash	217
<u>Issued under Base Prospectus dated 23 April 2018</u>			
Call Warrants	European	Cash	130
<u>Issued under Base Prospectus dated 14 May 2019</u>			
Call Warrants	European	Cash	172
Put Warrants	European	Cash	7

4. RISK FACTORS

BEFORE INVESTING IN THE STRUCTURED WARRANTS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS (WHICH MAY NOT BE EXHAUSTIVE) AND THE RISK FACTORS ON THE RELEVANT UNDERLYING INSTRUMENTS SET OUT IN THE RELEVANT TERM SHEETS TO BE ISSUED, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS BASE PROSPECTUS AND THE RELEVANT TERM SHEETS.

INVESTMENTS IN THE STRUCTURED WARRANTS INVOLVE DIFFERENT RISKS INCLUDING MARKET RISK, LIQUIDITY RISK, CREDIT RISK AND THE RISK THAT YOU MAY SUSTAIN TOTAL LOSS OF YOUR INVESTMENT IN THE STRUCTURED WARRANTS.

YOU SHOULD CONSIDER CAREFULLY WHETHER THE STRUCTURED WARRANTS ARE SUITABLE FOR YOU TAKING INTO ACCOUNT YOUR EXPERIENCE, OBJECTIVES, FINANCIAL POSITION AND OTHER RELEVANT CIRCUMSTANCES. YOU SHOULD POSSESS ADEQUATE KNOWLEDGE OF THE STRUCTURED WARRANTS BEFORE INVESTING.

4.1 RISKS RELATING TO THE ISSUER

4.1.1 Credit risk

Each Structured Warrant is a contract between us and the Warrantholder and of no other persons. Our obligations in respect of the Structured Warrant represent general unsecured contractual obligations, which will rank equal with other existing and future general contractual obligations. If you purchase the Structured Warrants, you should note that you would be relying on the creditworthiness of our Company alone. You have no rights under the Structured Warrants against the Underlying Companies, the trustee or manager of the Underlying ETF, the Underlying Index Sponsor or any company forming part of any indices to which the Structured Warrants relate.

You must therefore make your own assessments of the credit risk associated with KIBB, and our ability to perform our obligations in respect of the Structured Warrants. Details on our risk management and KIBB's credit rating profile are set out in Sections 6.7 and 6.1.3 respectively of this Base Prospectus. In addition, a summary of our historical financial information is set out in Section 6.9 herein.

You should note however that ratings assigned by rating agencies reflect their opinion on credit risk, which is only one aspect of your investment decision, and ratings are subject to change.

4.1.2 Trading by KIBB Group

KIBB Group may at any time purchase or buy-back the Structured Warrants in the open market or by tender or private treaty and become the holder of the Structured Warrants. Any Structured Warrants purchased may be held or resold and may also be surrendered for cancellation provided that cancellation of the Structured Warrants may only occur if KIBB Group purchased all the outstanding Structured Warrants.

We may trade in the Structured Warrants, the Underlying Shares or any other securities and financial products relating to any of the Underlying Companies, Underlying ETF or Underlying Index to hedge our position in relation to the Structured Warrants. We or other members of the KIBB Group may also trade in the Structured Warrants as liquidity provider. Other companies within the KIBB Group may also trade in the Structured Warrants, the Underlying Shares or any other securities and financial products relating to any of the Underlying Companies, Underlying ETF or Underlying Index. These trading activities may affect (positively or negatively) the price at which the Structured Warrants, the Underlying Shares or the Underlying ETF (as the case may be) are traded on Bursa Securities or other Securities Exchange outside Malaysia.

4. RISK FACTORS (Cont'd)

4.1.3 Exercise of discretion by us

You should note that *Section 1: Form, Status, Title and Administration* of the Conditions stated in Annexure I – Principal Terms of the Deed Poll grants us the discretion to make adjustments in circumstances contemplated under the Conditions for instance in the event of rights issue, bonus issue, subdivision or consolidation of Underlying Shares and capital repayment under the Conditions, which could affect the price of the Structured Warrants.

In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by us or any other events having similar effects on the rights of the Warrantheolders, we reserve the right and without any obligation whatsoever, to deal with the Structured Warrants in such manner as we reasonably deem fit in the circumstances and with or without any adjustments to the rights attaching to the relevant Structured Warrants.

Warrantheolders do not have the power to direct us concerning the exercise of any discretion, although in some cases, we may only exercise certain discretions with the consent of the relevant authorities.

You are advised to refer to Annexure I – Principal Terms of the Deed Poll of this Base Prospectus, and the relevant Term Sheets to be issued for circumstances that may result in the exercise of discretion by us.

4.1.4 No investigation or review performed on the Underlying Companies or the Underlying ETF or the Underlying Index Sponsor or the companies constituting the Underlying Index or the Underlying ETF

We make no warranty to have conducted any review or investigation on the business operations and prospects of the Underlying Companies, the Underlying ETF, the Underlying Index Sponsor or the companies constituting the Underlying Index or the Underlying ETF. Therefore, you should not assume that the issue of Structured Warrants represents a recommendation by us of investing in the Underlying Companies, the Underlying ETF, the Underlying Index or the companies constituting the Underlying Index.

In addition, you should be aware that the Underlying Companies, the Underlying Index Sponsor or the companies constituting the Underlying Index will not participate in establishing the terms and conditions of the Structured Warrants. Further, the Underlying Companies, the Underlying Index Sponsor, or the companies constituting the Underlying Index have no obligation with respect to the settlement amount to be paid to you (if any) upon exercise of the Structured Warrants, including any obligation to take into account, for any reason, our needs, or your needs.

In addition, you should be aware that the trustee, custodian, manager, registrar, service agent, participating dealer or other persons involved in constituting or the listing or trading of the Underlying ETF will not participate in establishing the terms and conditions of the Structured Warrants. Further, such persons have no obligation with respect to the settlement amount to be paid to you (if any) upon exercise of the Structured Warrants, including any obligation to take into account, for any reason, our needs, or your needs.

4.1.5 Potential and actual conflict of interest situations arising from the business activities of the KIBB Group

KIBB Group is involved in a wide range of investment banking, securities broking, corporate advisory, fund management, and other activities for its proprietary accounts and/or for accounts under its management. In the ordinary course of business of KIBB Group, including without limitation in our capacity as liquidity provider, KIBB Group may effect transactions for its account or for its customers and may hold positions in the Underlying Instruments and/or related derivatives. In connection with the offering of any Structured Warrants, we may also enter into hedging transactions with respect to the Underlying Instruments. These

4. RISK FACTORS (Cont'd)

transactions in the Underlying Instruments or related derivatives may affect the market price, liquidity of the Structured Warrants and affect the interests of Warrantheolders.

In the ordinary course of business of the KIBB Group, it may also possess or acquire material information about the Underlying Instruments.

The above activities and information may involve or otherwise affect the issuers of the Underlying Instruments in a manner which may cause adverse consequences to the Warrantheolders or otherwise create conflicts of interests in connection with the issue of Structured Warrants. Such actions and conflicts may include without limitation, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. We may also issue other derivative instruments in respect of the same Underlying Instrument which may compete with the Structured Warrants and may affect the price of the Structured Warrants. KIBB Group has no obligation to disclose such information about the Underlying Instrument or such activities unless it is required by the laws and regulations.

4.1.6 Early termination due to liquidation, dissolution or winding-up

Should we be liquidated or dissolved, or a receiver and/or administrator be appointed in respect of the whole or substantially the whole of our undertakings, properties or assets, the Structured Warrants will be exercised early and settled in cash as determined by us subject to the terms of the Deed Poll. Hence, there is a risk that the Structured Warrants may be cancelled before the relevant expiry date of such Structured Warrants and cause you to suffer a loss or a reduced profit.

4.2 RISKS RELATING TO THE STRUCTURED WARRANTS

Generally, Structured Warrants can be volatile instruments and tend to decline in value over time. They are subject to a number of risks as set out below:-

4.2.1 General investment risks

If you are considering acquiring the Structured Warrants, it is recommended that you should have experience in warrant or option transactions and should reach an investment decision only after carefully considering, with your adviser, the suitability of the Structured Warrants for you. The Structured Warrants are considered to be suitable only for those who understand the risks involved and are prepared to sustain a complete loss of the subscription price paid for the Structured Warrants or in the case of Bull ELS, end up with Underlying Shares with a value lower than the subscription price paid for the Bull ELS.

An investment in the Structured Warrants is not the same as owning the Underlying Shares, Underlying ETF or having a direct investment in the Underlying Shares or shares of companies constituting the Underlying Index. The market price of Structured Warrants is linked to the market price/level of the relevant Underlying Instruments and will be influenced (positively and negatively) by them. Further, the changes between the market price of the Structured Warrants and the market price/level of the Underlying Instruments may not be directly correlated and may be disproportionate. It is possible that while the Underlying Instruments increase in price/level, the price of the Structured Warrants fall.

The price of the Structured Warrants may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the cash settlement amount at expiry or upon a Mandatory Call Event is less than or equal to zero, you will lose the entire value of your investment. In particular for CBBCs, you will not be able to profit from the subsequent price movement of the Underlying Instruments.

4. RISK FACTORS (Cont'd)

4.2.2 Factors affecting the price of the Structured Warrants

The price at which the Structured Warrants trade on Bursa Securities depends on, amongst others: the exercise price/exercise level of the Structured Warrants; the bid-offer price, volatility and liquidity of the Underlying Shares or Underlying ETF; the performance of the Underlying Index; the time remaining to expiration; changes in interim interest rates and dividend yields of the Underlying Companies; and the depth of the secondary market.

There is no assurance that the market price of the Structured Warrants will, upon and after the Listing, be equal to or exceed the price paid by investors.

The trading price of the Underlying Instruments is affected by the trading activity of the Underlying Instruments. In turn, the trading activity for the Underlying Instruments is influenced by the operational and financial conditions, future prospects and business strategy as well as changes in the regulatory and economic environment. You are warned that the price of the Structured Warrants may fall in value as rapidly as it may rise. Changes in the price of the Underlying Shares and Underlying ETF or the level of the Underlying Index can be unpredictable, sudden and large, and such changes may result in the price of the Structured Warrants to move in a direction which may have a negative impact on the return of your investment. If the price of the Underlying Shares, Underlying ETF or Underlying Index does not move in the anticipated direction, it will negatively impact the return on your investment. The loss, however, will be limited to the subscription price paid for the Structured Warrants and any relevant transaction costs.

Investing in Bull ELS involves market risk. Changes in the price of the Underlying Shares may result in the price of the Underlying Shares falling below the strike price. Investors in the Bull ELS should recognise the possibility that the Bull ELS may expire worthless or may convert into Underlying Shares which market value could be equal or lower than the strike price.

4.2.3 Time decay

Structured Warrants are generally more valuable when the remaining life of the Structured Warrants are longer. In the case of CBBCs, the lifespan may be shorter if a Mandatory Call Event occurs before the expiry date, in which case, such CBBCs will be called and terminated immediately. When CBBCs are called and terminated early, you will lose the funding cost for the remaining period and will not benefit from subsequent price/level movement of the Underlying Instrument.

If the cash settlement amount on expiry date after deducting all incidental expenses is greater than zero, the outstanding Structured Warrants will be automatically exercised. However, if the cash settlement amount on expiry date after deducting all incidental expenses is equal to or less than zero, all outstanding Structured Warrants will cease to be valid without any payment made to the Warranholders.

After expiry, the Structured Warrants will cease to be traded. It is possible that the Structured Warrants will expire without the Warranholders' expectations being realised.

4.2.4 Warranholders do not have similar rights as the holders of the Underlying Shares, the Underlying ETF or the shares of the companies constituting the Underlying Index

Structured Warrants which are cash-settled do not confer on the Warranholders any rights to the Underlying Shares, the Underlying ETF or the shares of the companies constituting the Underlying Index. We are not required or under any obligation to purchase, hold or deliver the Shares, the Underlying ETF or the shares of the companies constituting the Underlying Index, or any attached rights and benefits.

The Bull ELS do not confer Warranholders any rights to the Underlying Shares, until and unless, the Underlying Shares have been delivered by us to the Warranholders of Bull ELS in

4. RISK FACTORS (Cont'd)

accordance with the Conditions. In addition, Bull ELS over foreign Underlying Shares are cash-settled and Warranholders of such Bull ELS do not have any rights to the Underlying Shares.

In addition, there are no custody arrangements relating to the Underlying Shares, nor does the Deed Poll create any security interest in favour of the Warranholders to secure the payment or settlement obligations arising under the Structured Warrants. Accordingly, if our Company becomes insolvent, Warranholders will not have any direct rights over the Underlying Shares, the Underlying ETF, the Underlying Index or the shares of the companies constituting the Underlying Index or Underlying ETF.

4.2.5 Risk of “European Style” Structured Warrants

European style Structured Warrants are only exercisable on its expiry date. The price of such Structured Warrants in the secondary market may be traded at a discount (or premium, as the case may be) to its estimated fair value under certain circumstances, including supply and demand factors. Accordingly on the expiry date, if the cash settlement amount is zero or negative, you will lose the entire value of your investment.

4.2.6 Gearing effect and correlation

The gearing provided by investing in the Structured Warrants (save for the Bull ELS) means that the risk of investment may be greater than in the case of an investment of the same amount in the Underlying Instruments. You should therefore understand these risks fully before investing in the Structured Warrants.

There is no assurance that the price of the Structured Warrants will correlate with the movements in price or level of the Underlying Instruments. The Structured Warrants may expire with significantly less value, or of no value at all if the price or level of the Underlying Instrument falls below (for call warrants and callable bull certificates) or rises above (for put warrants and callable bear certificates) the exercise price/exercise level of the Structured Warrants.

4.2.7 No prior market for the Structured Warrants on the Underlying Shares and/or Underlying ETFs

The Structured Warrants will be issued and subsequently listed on Bursa Securities. As there has been no recent or prior market for a particular series of Structured Warrants before its issuance, there can be no assurance that an active market for that particular series of Structured Warrants will develop upon its listing, or if developed, that such market will sustain throughout the life of the Structured Warrants. Although we will be acting as liquidity provider and making markets by providing bid and offer prices for the Structured Warrants on the trading system of Bursa Securities, the level of liquidity will depend on competitive forces and the price at which the Structured Warrants will trade on Bursa Securities upon or subsequent to its listing.

Furthermore, there will be circumstances under which the liquidity provider may not be able to, and shall not be obliged to, provide bid and offer prices, nor reply to a request for prices. Such circumstances may include, but without limitation, the circumstances described in Section 5.2 of this Base Prospectus.

In addition, the Listing Requirements allow the issuance of Structured Warrants over the Underlying Shares or Underlying ETFs which are listed on a Securities Exchange outside Malaysia for less than 3 calendar months, subject to the Underlying Companies or Underlying ETF having an average daily market capitalisation equivalent to at least RM5 billion. In such cases, there may not be sufficient market information or track record for the Underlying Shares or Underlying ETF prior to the offering of the Structured Warrants.

4. RISK FACTORS (Cont'd)

Furthermore, in an active market for the Underlying Shares or Underlying ETF, there can be no assurance that the active market for the Underlying Shares, Underlying ETF and/or the Structured Warrants will sustain in the foreseeable future.

4.2.8 Impact of corporate actions

An investment in the Structured Warrants involves valuation risks in relation to the Underlying Instruments. The price or level of the Underlying Instruments may increase or decrease over time due to various factors including, amongst others, corporate actions by the Underlying Companies (rights issues, issue of shares out of capitalisation of profits or reserves, consolidation or sub-division of share capital etc.) or otherwise, changes in computation or composition of the Underlying Index or corporate actions by the companies constituting the Underlying Index or otherwise and corporate actions by the trustee of an Underlying ETF or otherwise. The Conditions provide for limited anti-dilution protection and certain events relating to the Underlying Instruments require, or as the case may be, permit us to make adjustments or amendments to, amongst others, the exercise price, exercise level, call price or call level of the Structured Warrants, but only to the extent provided for in the Conditions.

There is no requirement that there should be an adjustment for every corporate action or other events that may affect the Underlying Instruments. Events in respect of which no adjustment is made to the exercise price or component may cause the Structured Warrants to be out-of-the-money and/or affect the trading price of the Structured Warrants and your returns from the Structured Warrants.

You are advised to refer to Annexure I Principal Terms of the Deed Poll of this Base Prospectus, and the Term Sheets for events that may cause adjustments to the exercise price, exercise level, call price or call level, component and/or number of Underlying Instruments. You are strongly advised to understand the effects of such adjustments on your investment in the Structured Warrants.

Should the Underlying Shares be delisted or the Underlying Companies be:-

- (i) liquidated, dissolved or wound-up; or
- (ii) a liquidator, receiver or administrator be appointed with respect to substantially the whole of the Underlying Companies' assets, to wind-up the Underlying Companies,

the outstanding Structured Warrants will be automatically exercised and settled in accordance with the provisions of the Deed Poll and the terms and conditions set out in this Base Prospectus. It is possible that the Structured Warrants will be terminated before the expiry date of the Structured Warrants without the Warrantheolders' expectations being realised.

4.2.9 KIBB discretion to determine the underlying index level

Certain events relating to an index (including material change in formula or the method of calculating the index or a failure to publish the index) permit us to determine the level of the index based on the formula and method of calculating the index before the occurrence of such events or deem the relevant series of Structured Warrants to be exercised and settled in cash. Therefore, you should be aware that any decision made by us may have an unforeseen adverse impact on the value of your investment.

4.2.10 Impact of investment decisions entered by the trustee or management company of the ETF

In the case of Structured Warrants which relate to ETF Units:-

- (i) the KIBB Group is not able to control or predict the actions of the trustee or the manager of the relevant Underlying ETF. Neither the trustee nor the manager of the relevant Underlying ETF:-

4. RISK FACTORS (Cont'd)

- (a) is involved in the offer of any KIBB's Structured Warrant in any way; or
 - (b) has any obligation to consider the interest of the Warrantheolders of any Structured Warrants in taking any actions that might affect the value of any Structured Warrants.
- (ii) The trustee or manager of the relevant Underlying ETF is responsible for making investment and other trading decisions with respect to the management of the relevant Underlying ETF consistent with its investment objectives and in compliance with the investment restrictions as set out in the constitutive documents of the relevant Underlying ETF. The manner in which the relevant Underlying ETF is managed and the timing of actions may have a significant impact on the performance of the relevant Underlying ETF. Hence, the market price of the relevant ETF Units is also subject to these risks.

4.2.11 Tracking error in the price of the Underlying ETF

The fees and expenses incurred by the Underlying ETF such as transactional expenses and taxes incurred may result in the trading price of the ETF Units varying from the net asset value ("NAV") per ETF Unit and in turn affecting the price of our Structured Warrants.

4.2.12 Economic, political and regulatory uncertainties

The financial and business prospects of an Underlying Company may be materially and adversely affected by the change in the economic, political and/or regulatory conditions of the countries in which the Underlying Company operates and the Securities Exchange on which the Underlying Company is listed. The same factors may also materially and adversely affect the performance of the Underlying Index or the Underlying ETF. Such economic, political and regulatory uncertainties include changes in political leadership, expropriation, nationalisation, re-negotiation or nullification of existing contracts, changes in interest rates, methods of taxation and currency exchange rules.

4.2.13 Market disruption and settlement disruption events

You should note that there might be a delay in the determination and payment of the cash settlement or delivery of the physical settlement upon the exercise of the Structured Warrants by the Warrantheolders or upon expiry or upon Mandatory Call Event of the Structured Warrants if there is a market disruption event or a settlement disruption event.

4.2.14 Exchange rate risk

An investment in our Structured Warrants may involve exchange rate risk where the cash settlement amount may be converted from a foreign currency into Ringgit Malaysia or the Underlying Instrument may be denominated in a foreign currency. Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and speculation.

4.3 RISKS RELATING TO THE STRUCTURED WARRANTS OVER CBBCS

4.3.1 General investment risks

If you are considering acquiring any CBBCs, you should have experience in option transactions and should reach your investment decision only after carefully considering, with your adviser, the suitability of the CBBCs to you. **The CBBCs are considered to be suitable only for those who fully understand the risks involved and are prepared to sustain a complete loss of the purchase price paid for the CBBCs.**

4. RISK FACTORS (Cont'd)

The price of the CBBCs may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. In particular, if the cash settlement amount payable at expiry or upon the occurrence of a Mandatory Call Event is less than or equal to zero, you will lose the entire value of your investment. You will not be able to profit from the subsequent price/level movement of the Underlying Instrument from CBBCs that were called and hence terminated.

4.3.2 Mandatory Call Event is irrevocable

The Mandatory Call Event is irrevocable unless it is triggered by the following events:

- (i) system malfunction or other technical errors of the relevant Securities Exchange; or
- (ii) manifest errors caused by the relevant third party price source

In the occurrence of the above event, mutual agreement must be reached between Bursa Securities and KIBB within the time as prescribed in the relevant Term Sheets and the relevant Conditions.

When a mutual agreement is reached between Bursa Securities and KIBB, the triggered Mandatory Call Event:

- (i) will be reversed; and
- (ii) any trade cancelled (if any) will be reinstated; and
- (iii) trading of the CBBCs will resume in accordance with the rules prescribed by Bursa Securities from time to time.

4.3.3 Delay in announcement of Mandatory Call Event

We will notify Bursa Securities as soon as practicable by way of announcement after the CBBCs have been called. You should be aware that there may be a delay in the announcement of a Mandatory Call Event due to technical errors or system failures and other factors that are beyond our control and/or control of Bursa Securities.

Bursa Securities may cancel the CBBCs trades that are executed after the Mandatory Call Event if the CBBCs are not suspended immediately after a Mandatory Call Event.

4.3.4 Non-recognition of Post Mandatory Call Event trades

After the occurrence of the suspension of trading of the CBBCs and termination of the same due to a Mandatory Call Event, all subsequent trades in the CBBCs executed after the Mandatory Call Event will be cancelled and will not be recognised by us or Bursa Securities.

4.3.5 Fluctuation in the funding cost

CBBC is issued at a price that represents the difference between the initial reference price/level of the Underlying Instruments and the exercise price/exercise level of the CBBCs, plus the applicable funding cost. The funding cost can be considered as the interest paid by investors to the Issuer for borrowing money (for callable bull certificates) or stocks (for callable bear certificates) for investment. The funding cost is determined based on the following:

- (i) the Issuer's financing rate (for callable bull certificates) or the stock borrowing costs (for callable bear certificates), after adjustments for any expected dividend yields of the Underlying Shares or Underlying ETF; and
- (ii) the profit margin charged by the Issuer for issuing CBBCs.

The funding cost fluctuates throughout the life of the CBBCs. The funding cost of a CBBC may be affected by the supply and demand of the Underlying Instruments being financed or

4. RISK FACTORS (Cont'd)

borrowed. The liquidity, the volatility and the risk of hedging the Underlying Instrument at the point of time may impact the fluctuation in the Issuer's funding cost. In addition to the factors mentioned, the funding cost will also depend partly on prevailing market interest rates and the remaining time to expiry of the CBBCs. Therefore, the longer remaining period to expiry and/or the higher the prevailing market interest rate, the greater the funding cost element of the CBBCs.

4.3.6 Hedging and unwinding of hedging activities may affect the value of CBBCs

Our trading or hedging activities or those of our Group or other financial instruments issued by us from time to time may have an impact on the price/level of the Underlying Instruments and may trigger the Mandatory Call Event.

In particular, when the price/level of the Underlying Instruments is trading close to the call price/call level, our unwinding activities may cause a fall or rise in (as the case may be) the price/level of the Underlying Instruments, leading to a Mandatory Call Event as a result of such unwinding activities.

Before the occurrence of Mandatory Call Event, we or our related parties may unwind our hedging transactions relating to the CBBCs in proportion to the amount of CBBCs we repurchase from the market from time to time.

Apart from the above, at the occurrence of a Mandatory Call Event, we or our related parties may unwind any hedging transactions in relation to the CBBCs. Such unwinding activities after the occurrence of Mandatory Call Event may affect the price/level of the Underlying Instruments and consequently the cash settlement amount for the Warrantholder.

4.3.7 Limited life of the CBBCs

The Structured Warrants have expiry dates and therefore, a limited life. In the case of CBBCs, the lifespan may even be shorter if a Mandatory Call Event occurs before the expiry date. A Mandatory Call Event occurs when the price/level of the Underlying Instrument is at or below (in respect of callable bull certificate) or at or above (in respect of callable bear certificate) the call price or call level during the tenure of the CBBCs. In such event, the CBBCs will be called and terminated immediately and you will receive the cash settlement amount (if any) from us. When CBBCs are called and terminated early, you will lose the funding cost for the remaining period and will not be able to profit from the subsequent price/level movement of the Underlying Instrument.

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4. RISK FACTORS (Cont'd)

4.4 FACTORS AFFECTING LIQUIDITY

4.4.1 Suspension in the trading of the Underlying Instruments and/or Structured Warrants

If the trading in the Underlying Shares or the Underlying ETF is suspended on Bursa Securities or the relevant Securities Exchange outside Malaysia (which is beyond our control), then trading in the Structured Warrants on Bursa Securities may also be suspended for a similar period if Bursa Securities deems such action appropriate in the interest of maintaining a fair and orderly market in the Structured Warrants, or otherwise if Bursa Securities deems such action advisable in the public interest or to protect investors.

In addition, if the trading of options or futures relating to the relevant Underlying Index on any options or futures exchanges is suspended, or if the relevant Underlying Index for whatever reason is not calculated, trading in the relevant Structured Warrants on Bursa Securities may also be suspended for a similar period.

If Bursa Securities does not, in such an event, suspend the trading of the Structured Warrants, we may still request for a suspension in the trading of the Structured Warrants. However, the suspension of the trading of the Structured Warrants, the Underlying Shares or the Underlying ETF on Bursa Securities, or the relevant Securities Exchange outside Malaysia, or the suspension of the trading of the options or futures relating to the relevant Underlying Index on any options or futures exchanges, shall not preclude the Warrantheolders from exercising their rights under the Structured Warrants. However, we may in our absolute discretion make adjustments to the rights attaching to the Structured Warrants so far as we are reasonably able to do so without materially prejudicing Warrantheolders' rights. Notice of such adjustments will be given to Warrantheolders as soon as practicable.

You should be aware that the closing price or levels of the Underlying Instruments may vary if you intend to exercise your Structured Warrants during a suspension from trading of the Underlying Instruments and/or Structured Warrants.

4.4.2 Trading liquidity of our Structured Warrants

There can be no assurance that an active trading market for Structured Warrants could sustain throughout the life of the Structured Warrants. Although we endeavour to provide liquidity for our Structured Warrants by maintaining bid and offer prices for the Structured Warrants on the trading system of Bursa Securities, the level of liquidity will depend on competitive forces and the price at which the Structured Warrants will trade on Bursa Securities upon or subsequent to its listing. The parameters for liquidity provision are set out in Section 5.2 of this Base Prospectus.

Furthermore, an active trading market for the Underlying Instruments is not an assurance that an active trading market for the Structured Warrants will be sustained in the foreseeable future.

4.4.3 Delay in or abortion of the Listing

The occurrence of certain events, including but not limited to the following, may cause a delay in or abortion of the Listing for each series of the Structured Warrants on Bursa Securities:-

- (i) we are unable to meet the public spread requirement as stipulated by Bursa Securities that each series of the Structured Warrants (other than the Bull ELS) must be held by at least 100 Warrantheolders holding not less than 1 board lot of the relevant series of Structured Warrants each, or at least 50 Warrantheolders subscribing for a minimum of RM100,000 each of the relevant series of Structured Warrants; and
- (ii) the minimum total face amount of RM5 million of the Structured Warrants is not met.

4. RISK FACTORS (Cont'd)

The above mentioned requirement in (i) does not apply to an Issuer that provides liquidity for the Structured Warrants via Market Making in accordance with the Listing Requirements. Although we will endeavour to comply with various regulatory requirements, we cannot assure you that there will not be occurrence of events that will cause a delay in or abortion of the Listing.

4.5 OTHER RISKS

4.5.1 Timeliness and limitation of information regarding the Underlying Companies and Underlying Instruments

Certain information of the Underlying Companies and Underlying Instruments may be obtained or extracted from third party sources such as the financial news service provider or financial information network provider. We provide no assurance on the timeliness, completeness of disclosure or availability of critical or material information of the Underlying Companies and Underlying Instruments, which was obtained from these third party sources. Investors should also be aware that we have, in good faith, extracted relevant information and prices from the public or third party sources and have not independently verified such information.

In addition, the Underlying Companies listed on Bursa Securities and the relevant Securities Exchange are subject to applicable continuous disclosure requirements.

4.5.2 Compliance with the relevant laws and regulations by the Underlying Companies or Underlying ETF or Underlying Index Sponsor

We shall endeavour to fully comply with all the relevant laws, rules, regulations, guidelines, requirements or provisions imposed by the relevant authorities in Malaysia for the issuance of the Structured Warrants. However, the failure of the Underlying Companies or Underlying Index Sponsor or the trustee, custodian, manager, registrar, service agent, participating dealer and/or other persons involved in constituting or undertaking the listing or trading of the Underlying ETF, to fully comply with the relevant laws, rules, regulations, guidelines, requirements or provisions imposed by the relevant authorities during the tenure of the Structured Warrants may affect the corresponding Underlying Instruments and in turn the relevant Structured Warrants.

4.5.3 Risks related to the Covid-19 pandemic

The outbreak of the Covid-19 pandemic has had, and continues to have, significant economic ramifications, such as contractions in economic growth rates across the world. This includes contraction in the national gross domestic product ("GDP"), global trade, and various forms of economic activity such as business investments, industrial production, and consumer demand. The government of Malaysia has implemented a Movement Control Order ("MCO") as a response to combat the Covid-19 pandemic in the country.

As an increasing number of countries begin to implement forms of movement restrictions and lockdowns, the global and domestic economic environment and business sentiment may be adversely affected. The slowdown in global and domestic consumption in such significant scales may adversely affect the Underlying Companies' operations, which could in turn affect the Underlying Companies' financial position and future prospects. Additionally, the closure of business facilities and disruption faced by the Underlying Companies' may adversely affect the Underlying Companies' supply chain, and may result in material disruptions to the sales and profitability of the Underlying Companies.

Should the Covid-19 outbreak continue to cause disruptions to global and domestic economic activity, KIBB Group's financial position may be adversely impacted due to lower lending and transaction volumes, impairments on financial instruments caused by equity market volatility, increase in Expected Credit Loss ("ECL") charges, and lower interest income due to lower

4. RISK FACTORS (Cont'd)

interest rates implemented by central banks globally. Prolonged and material impact on KIBB Group's financial position may also cause a downward rating in KIBB Group credit rating profile, which could in turn affect the ability to meet our financial commitments as a Structured Warrants issuer. In order to manage such risks, KIBB Group has implemented various stress testing programmes in order to develop possible mitigating plans. Though there remain significant uncertainties in assessing the severity of the Covid-19 outbreak, KIBB Group is actively monitoring and evaluating this fluid situation and shall take any additional actions as necessary.

Additionally, KIBB Group has taken reasonable steps to prevent any severe communicable disease from significantly affecting its operational performance and financial position, such as instituting Business Continuity Management ("BCM") processes to reduce the impact and disruption caused by any movement restrictions and lockdowns, including work-from-home arrangements, maintaining essential employees at the office premises, virtual Board and Committee meetings.

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5 PARTICULARS OF THE OFFER

5.1 The Offer

We propose to issue the following non-collateralised Structured Warrants:-

- (i) American style cash settled call/put warrants over a single equity;
- (ii) American style cash settled call/put warrants over a basket of equities;
- (iii) American style cash settled call/put warrants over a single index;
- (iv) American style cash settled call/put warrants over an ETF;
- (v) European style cash settled call/put warrants over a single equity;
- (vi) European style cash settled call/put warrants over a basket of equities;
- (vii) European style cash settled call/put warrants over a single index;
- (viii) European style cash settled call/put warrants over an ETF;
- (ix) European style cash settled CBBCs over a single equity;
- (x) European style cash settled CBBCs over a single index;
- (xi) European style cash settled CBBCs over an ETF; and
- (xii) Bull ELS,

where the equity(ies) and ETF are listed on, and indices are based on Bursa Securities and/or Securities Exchanges outside Malaysia which are members of the World Federation of Exchanges or are approved by Bursa Securities.

The Structured Warrants will be offered from time to time by way of Market Making.

We will issue the Structured Warrants from time to time through this Base Prospectus supported by a Term Sheet to be issued before we issue each series of the Structured Warrants.

Further information on the Offer and the Structured Warrants are set out below and in Annexure 1 of this Base Prospectus respectively.

5.2 Liquidity Provision

The Listing Requirements provides that upon initial listing, there must be at least 100 Warranholders holding not less than 1 board lot of warrants each, or at least 50 Warranholders subscribing for a minimum of RM100,000 of warrants each ("**Minimum Holders Requirement**"), unless the issuer provides liquidity for the structured warrants via Market Making.

KIBB is a registered Market Maker pursuant to the rules of Bursa Securities and therefore, is not required to fulfil the Minimum Holders Requirement mentioned above.

As an Issuer, it is our business policy to stand by our products by providing liquidity. We are the liquidity provider for the trading of our Structured Warrants on Bursa Securities. As currently stipulated by Bursa Securities, we will maintain a minimum market presence of 70% of trading hours on each day that Bursa Securities is open for trading and a maximum spread between bid and offer prices of twenty-five (25) bids.

5. PARTICULARS OF THE OFFER (*Cont'd*)

The process of providing liquidity involves maintaining bid and offer prices on the trading system of Bursa Securities on each Market Day, over the life of the Structured Warrants. Although we endeavour to provide liquidity for the Structured Warrants on Bursa Securities, the level of liquidity will depend on competitive forces and the price at which the Structured Warrants will trade on Bursa Securities upon or subsequent to its listing. Besides the supply and demand for the Structured Warrants in the secondary market, there are other factors affecting the price of the Structured Warrants such as, without limitation, the underlying unit price, intrinsic value, dividend expectations, expected volatility, prevailing interest rates and the time left to the expiry of the Structured Warrants.

As liquidity provider, we would need to maintain a certain number of Structured Warrants as inventory for the purposes of liquidity provision during the tenure of the Structured Warrants. The minimum quantity of structured warrants for which liquidity will be provided is 10 (ten) board lots (1,000 units of Structured Warrants). We may during the tenure of this Base Prospectus issue additional Structured Warrants in a particular series subject to the approval of Bursa Securities.

However, you should note that there would be circumstances under which we are unable and could not be obliged to provide liquidity, due to reasons beyond our control. Such circumstances may include the occurrence or existence of one (1) or more of the following events:-

- (i) During the pre-opening session, ten (10) minutes following the opening of Bursa Securities on any trading day or any other circumstances as may be prescribed by Bursa Securities from time to time;
- (ii) During the pre-closing session, last ten (10) minutes prior to the close of a trading session on any trading day or any other circumstances as may be prescribed by Bursa Securities from time to time;
- (iii) Upon the occurrence of a Mandatory Call Event;
- (iv) When trading in the Underlying Instrument or index futures is suspended or limited in a material way for any reason; for the avoidance of doubt, the liquidity provider is not obliged to provide quotations for the Structured Warrants at any time when the Underlying Instrument or relevant index futures is not traded for any reason;
- (v) When the Structured Warrants and/or the Underlying Instrument are suspended or limited in a material way for any reason;
- (vi) When the number of Structured Warrants available for Market Making activities by the liquidity provider is less than 5% of the total issue size of the Structured Warrants; for the avoidance of doubt, Structured Warrants held by us or any of our affiliates in a fiduciary or agency capacity are not Structured Warrants available for Market Making activities;
- (vii) During the five (5) Market Days immediately preceding the Expiry Date;
- (viii) When technical problems or other events beyond the control of the liquidity provider (such as a natural or man-made disaster or an act of terrorism) affect the ability of liquidity provider to provide bid and offer prices;
- (ix) If the stock market and/or the Underlying Instrument experience exceptional price movement and volatility;
- (x) If a market disruption event occurs, including without limitation any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Underlying Instrument or any

5. PARTICULARS OF THE OFFER (*Cont'd*)

- Structured Warrants, option contracts or futures contracts relating to the Underlying Instrument;
- (xi) When the ability of the liquidity provider to source a hedge or unwind an existing hedge, as determined by the liquidity provider in good faith, is materially affected by the prevailing market conditions;
 - (xii) If each Structured Warrant is theoretically valueless or where the Issuer's bid price is below RM0.005. In such an instance, the liquidity provider will provide the offer price only;
 - (xiii) If, in our sole and absolute determination, the theoretical bid/offer price of the Structured Warrants is less than the minimum price or greater than the maximum price that can be entered into or accepted by the trading system of Bursa Securities through which the liquidity provider enters orders for the Structured Warrants for the purpose of providing liquidity;
 - (xiv) In the case of an Underlying Index, any modification, cancellation or disruption of the calculation of the Underlying Index (other than as result of a market disruption event);
 - (xv) In the case of put warrants, our ability to perform short-selling in the market becomes restricted or prohibited;
 - (xvi) When it is a public holiday in Malaysia and Bursa Securities is not open for trading; or
 - (xvii) Any circumstances as may be allowed by Bursa Securities and/or the SC.

Although the liquidity provider will be facilitating Market Making activities to provide liquidity for the Structured Warrants on Bursa Securities, the level of liquidity will depend on competitive forces and the price at which the Structured Warrants will trade on Bursa Securities upon or subsequent to its listing.

You may obtain bid/offer prices for the Structured Warrants (in respect of prices that appear on the trading system of Bursa Securities, and/or in respect of direct business transactions) from us at the following contact details:

KIBB
Equity Derivatives
Telephone no.: (03)-2172 2615

5.3 Further Issue

The Deed Poll allows KIBB to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warrantholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

For the purpose of facilitating Market Making, KIBB may apply for a Further Issue in respect of the Structured Warrants subject to the following conditions:

- (i) the Further Issue is for the purpose of facilitating Market Making;
- (ii) the terms and conditions of the Existing Issue either permit the Further Issue or have been properly amended to give us the right to issue and list one or more Further Issues;
- (iii) the terms and conditions of the Further Issue and the Existing Issue must be identical except for the size and tenure of the issue; and
- (iv) the Issuer holds not more than 50% of the Existing Issue at the time of application for the Further Issue.

5. PARTICULARS OF THE OFFER (Cont'd)

5.4 Purpose of the Offer

The purpose of the Offer is to participate and contribute to the development of Structured Warrants market in Malaysia. It is also part of the KIBB objectives to diversify our revenue sources via the issuance of Structured Warrants because of the growth potential in Malaysia capital market with the continuous supports from the government, regulators and investors.

The trading of Structured Warrants also enables us to earn revenue in which the proceeds from the Offer will be utilised for our general working capital requirements and to defray expenses for the Offer.

The Offer aims to meet the increasingly sophisticated investors' demand in the evolving capital market in Malaysia. It allows the investors to enhance their investment portfolio and provides institutional investors an alternative approach to their asset management strategies.

Structured Warrants, a derivatives instruments, cater to investors seeking a different risk-return profile from the usual asset classes such as cash, equities and bonds, where investors can use Structured Warrants to make their portfolios both more or less risky, in the manner that fits with their objective, cost and risk appetite.

The issuance and usage of derivatives instrument would facilitate towards a more innovative, competitive, well-informed and developed capital market.

5.5 Implications of the Code

If you intend to buy Bull ELS, you should bear in mind the implications of Part B of the Code and Sections 217 and 218 of the CMSA. In general terms, these provisions regulate the acquisition and effective control of Malaysian companies, in particular public companies. You should consider the implications of these provisions before you buy Bull ELS.

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6. INFORMATION ON KIBB

6.1 HISTORY AND BUSINESS

6.1.1 History and Background

Our Company was incorporated in Malaysia under the Act on 6 September 1973 as a private company under the name of K & N Kenanga Sdn. We subsequently converted to a private limited company under the name of K & N Kenanga Sdn Bhd on 10 May 1975. Following the conversion to a public limited company on 7 December 1995, our name was changed to K & N Kenanga Bhd. We assumed our present name, Kenanga Investment Bank Berhad since 5 January 2007 when we were granted investment bank status. We are a financial institution under the FSA and are regulated by BNM, SC and Bursa Securities.

On 7 June 1994, our holding company, K & N was incorporated following a restructuring exercise which involved the entire issued and paid-up share capital of KIBB being acquired by K & N via the issuance of new ordinary shares of RM1.00 each in K & N to the existing shareholders of KIBB. Upon completion of the exercise, KIBB became a wholly-owned subsidiary of K & N. Subsequently, K & N was listed on the Main Board of Bursa Securities on 8 October 1996.

In May 2002, we were granted universal broker status by the SC. On 13 October 2005, BNM and the SC jointly announced that the framework on investment banks was to be extended to universal brokers. This move was aimed towards further enhancing the capacity and capabilities of domestic capital market intermediaries to contribute towards the development of a more resilient, competitive and dynamic financial system and support economic transformation. In line with the move, we were granted a licence by the Minister of Finance II under Section 6(4) of the then BAFIA to carry on merchant banking business in Malaysia with effect from 5 January 2007. Consequently, we commenced operations in January 2007 as an investment bank, offering a complete range of investment banking services including corporate advisory and equity-linked activities.

Today, we offer a wide range of financial products and services such as Structured Warrants, margin financing, structured lending and structured debt instrument via our corporate and institutional coverage, corporate finance, debt capital markets, equity capital markets, corporate banking, Islamic window finance, equity broking, equity derivatives, treasury, as well as investment research and advisory services. We also offer fund management, derivatives broking and structured financing via our subsidiaries.

On 14 December 2012, KIBB completed the acquisition of the entire issued and paid-up share capital of EIBB and merger of the businesses of EIBB and KIBB. EIBB subsequently changed its name to ECML on 29 November 2013.

On 19 April 2013, KIBB's wholly-owned subsidiary, KIB completed the acquisition of the entire issued and paid-up share capital of IFB followed by the merger of the two (2) companies' businesses on 8 June 2013. IFB had on 18 June 2013 changed its name to KFB. In the same year, KIB was granted the approval by the SC as a PRS Provider.

On 8 April 2016, KIBB had entered into a Subscription Agreement and a Joint Venture Agreement with Rakuten Securities, Inc. and Rakuten Trade Sdn Bhd ("**JV Company**") to jointly collaborate in providing online brokerage services through the JV Company. On 26 April 2017, the JV Company had been granted a Capital Markets Services Licence by the SC to undertake regulated activities of dealing in securities restricted to listed securities and investment advice. The JV Company commenced business on 18 May 2017.

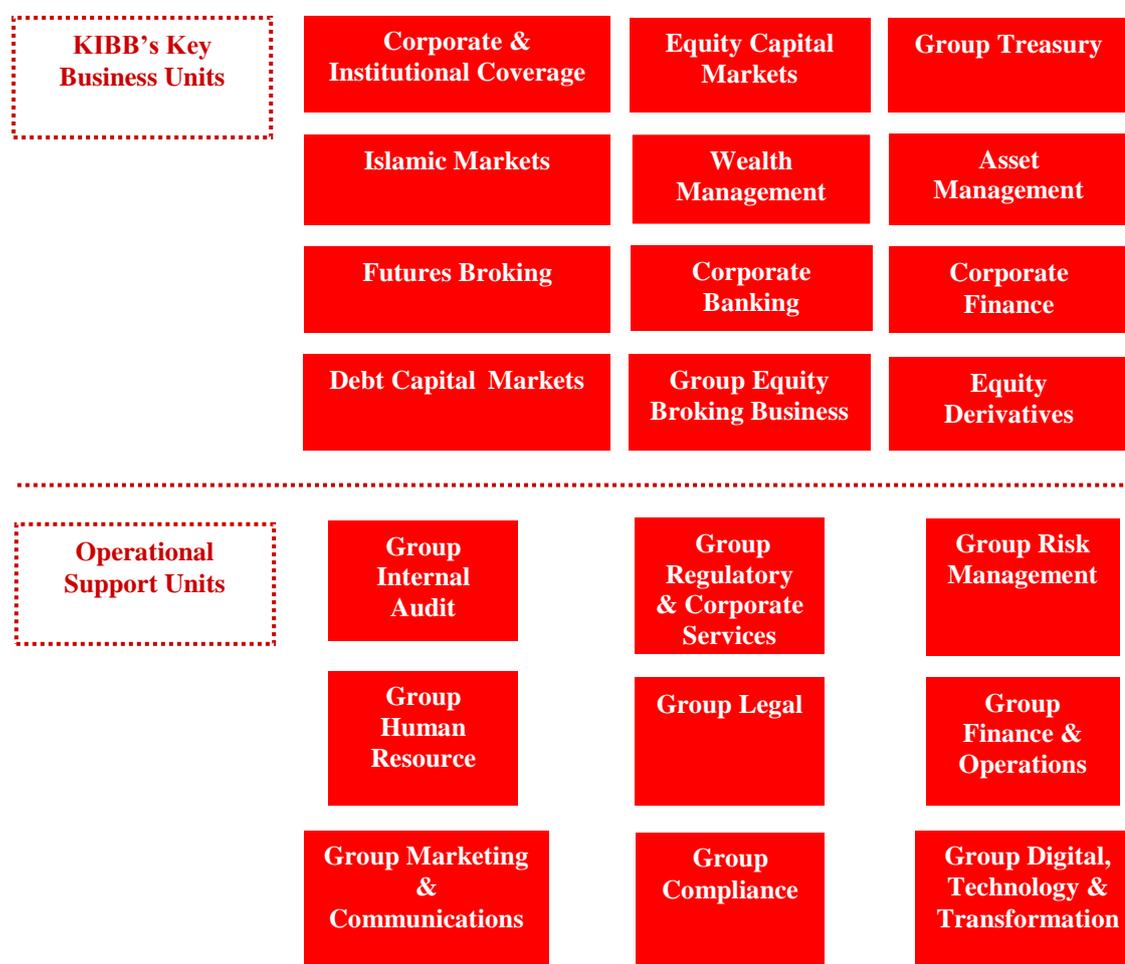
6. INFORMATION ON KIBB (Cont'd)

On 1 November 2016, KIBB Group had completed an internal reorganisation of its corporate structure where the identified assets and liabilities, as well as the businesses of K & N were transferred to KIBB. On 2 November 2016, K & N transferred its listing status on the Main Market of Bursa Securities to KIBB and hence, KIBB became the primary operating and listed entity of the KIBB Group.

On 27 July 2017, KIBB completed the acquisition of the remaining 1,350,000 ordinary shares, representing 27% of the total number of issued shares of Kenanga Deutsche Futures Sdn Bhd resulting in Kenanga Deutsche Futures Sdn Bhd becoming a wholly-owned subsidiary of KIBB. Subsequently, on 3 August 2017, Kenanga Deutsche Futures Sdn Bhd changed its name to Kenanga Futures Sdn Bhd.

On 8 July 2019, KIBB's wholly-owned subsidiary, KIB completed its acquisition of the entire issued and paid-up share capital of Libra Invest Berhad.

6.1.2 KIBB's Key Business Overview



KIBB's activities and principal assets are predominantly based in Malaysia. We operate from our principal office in Kuala Lumpur and through our twenty-nine (29) branches nationwide. Activities of KIBB's key business units are as follows:-

6. INFORMATION ON KIBB (*Cont'd*)

Corporate & Institutional Coverage (“CIC”)

The CIC department originates deals and mandates for the Bank. It is a one-stop solution centre for clients that offers insightful advice on corporate strategies covering key areas such as corporate restructuring, initial public offerings, mergers and acquisitions, leverage buy-outs, as well as raising funds via instruments of equity and debt and assisting companies raising funds through redeemable convertible notes.

Equity Capital Markets (“ECM”)

The ECM department serves as an intermediary between companies and investors in the equity and equity-linked markets. It arranges and executes transactions that allow companies to raise capital from the equity capital markets in Malaysia through initial public offerings, rights issues, or private placement. ECM's roles include origination, structuring, syndication, marketing, distribution, pricing and underwriting of new securities as well as aftermarket services for capital raising activities.

Group Treasury

The Group Treasury is responsible for sourcing of funds from institutional and retail depositors, and ensuring compliance to regulatory liquidity ratios. This role also entails managing the daily cash flow and liquidity requirements within the bank. The Treasury division also handles the bank's investments in fixed income securities and money market instruments, foreign exchange transactions and asset/liability management.

The Group Treasury division also offers transactional, investment and hedging solutions to institutional and retail clients. The division is responsible for providing product support to branch and wealth management staff on pricing and market updates for money market and fixed income instruments, structured product investments and foreign exchange.

Islamic Markets

The Islamic Markets department (Islamic Banking division) has been established to drive Islamic business initiatives within the Bank including acting as the coordinator for the Bank's Skim Perbankan Islam operations. Islamic Markets works closely together with the existing product owners, to facilitate the development and offering of Islamic products to our clients. At present, Islamic Markets plays an active role in Sukuk structuring and liaising with the Shariah Adviser to procure Shariah endorsement for any proposed Sukuk issuance/programme. Islamic Markets is also instrumental in procuring the approval from Bursa Malaysia for establishment of the bank's Islamic Stockbroking Window.

Wealth Management

The Wealth Management Division provides investment and wealth management to individuals, business owners and families who desire customised financial advisory services via private mandates. Its extensive product range includes products from 18 fund houses, 7 PRS providers, 12 insurance partners and 2 wills and trust partners. Wealth planning services include financial planning for investment, insurance, education and retirement.

Asset Management

The asset management business is known as Kenanga Investors Group (“KIG”), which comprises of KIB and Kenanga Islamic Investors Berhad (“KIIB”). KIG is an investment house that provides investment solutions to high net worth individuals, mass affluent, retail, corporate and institutional clients. KIB is also one of the eight licensed Private Retirement Scheme providers in Malaysia. The Company is licensed to perform regulated activities under the CMSA 2007 for the following:-

6. INFORMATION ON KIBB (*Cont'd*)

- Fund management
- Dealing in securities (restricted to unit trust)
- Financial Planning
- Investment advice; and
- Dealing in Private Retirement Scheme

Futures Broking

Kenanga Futures Sdn Bhd (“KFSB”) is a derivatives broker licensed by Securities Commission Malaysia, a Trading Participant of Bursa Malaysia Derivatives Berhad and a Clearing Participant of Bursa Malaysia Derivatives Clearing Berhad. KFSB offers electronic and voice execution, as well as clearing services for products listed on Bursa Malaysia Derivatives Berhad, CME Group and Hong Kong Futures Exchange. Apart from being a member firm of Bursa Malaysia Derivatives Berhad and the clearinghouse, KFSB is also a registered broker with the U.S. Commodity Futures Trading Commission (“U.S. CFTC”) and was granted exemption relief pursuant to Commission Regulation 30.10 which enables KFSB to solicit and accept orders and customer funds directly from U.S. investors for trading on Bursa Malaysia Derivatives Berhad without having to register with the U.S. CFTC as futures commission merchants. On the domestic front, KFSB has an extensive network of 24 branches nationwide licensed to trade listed derivatives.

Clients can access U.S., Hong Kong and Malaysian listed derivatives on a single trading platform via the company’s trademarked real-time trading platform, KDF TradeActive™. KDF TradeActive™ is available on both desktop and mobile devices, giving clients easy access to real-time market data and flexibility to trade on the go.

Corporate Banking

The Corporate Banking department focuses on the structuring of financing facilities (which include term loans, bridging loans and revolving credit facilities) that complement and facilitate the conclusion of investment banking deals (e.g. leveraged financing, general offer financing, acquisition financing, syndicated financing, etc.) undertaken by the Bank.

Its lending capability enhances the strength of the Bank in providing investment banking packages that are suited to client’s business needs.

Corporate Finance

The Corporate Finance department provides corporate advisory services relating to initial public offerings, mergers and acquisitions, secondary offerings and fund raising exercises through equity capital markets. The advisory services include planning and implementing strategies for mergers and acquisitions, mapping out and executing the strategy for initial public offering activities, as well as planning and implementation of equity capital raising activities. The division also provides general corporate advisory such as, independent evaluation of corporate transactions, application for waiver from general offer, bonus issue, capital repayment, corporate and debt restructuring, employee share option scheme, dividend reinvestment scheme, listing transfer, mandate for recurrent related party transactions, share buy-back, and valuation of companies or businesses.

Debt Capital Markets

The Debt Capital Markets department provides advisory services for fund raising exercises for its corporate clients via the issuance of debt capital market instruments such as private debt securities, Islamic securities and asset-backed securities. It supports all other divisions for the debt and equity linked debt mandates.

6. INFORMATION ON KIBB (Cont'd)

Group Equity Broking Business

Our Equity Broking division is a full service broker catering to the investing and trading needs of both retail and institutional investors, domestic and foreign. We have presence in more than twenty-nine (29) locations nationwide and two (2) Electronic Access Facilities ("EAF"). EAF is a facility that offers price viewing and internet access to our clients for online trading. We now provide our clients direct access to more than fourteen (14) overseas markets. Our delivery methods include full service, personalised dealer assisted for high net worth investors and online trading facilities via an online trading portal.

Share margin financing services are also available to clients who require financial leverage. Client servicing is backed by an in-house independent research covering the economy, industrial sectors and specific companies and these reports are published regularly. The online trading portal provides direct electronic access to research reports, real-time stock quotes and third party financial news.

Investors who are on the move have the convenience of accessing real-time stock prices through mobile devices where transactions can also be made. Through the global trading platform, clients can now access more than fourteen (14) foreign markets including those in Hong Kong, United Kingdom, Singapore and the United States of America.

Equity Derivatives

The Equity Derivatives department provides two functions, the provision of over-the-counter (OTC) equity-linked derivatives such as options, swaps, and forwards and the issuance and Market Making of exchange-traded derivatives such as Structured Warrants.

6.1.3 Credit rating

Malaysian Rating Corporation Berhad ("MARC") had on 9 January 2020 affirmed our financial institution ratings as follows:-

Rating		
Long-term	Short-term	Outlook
A+	MARC-1	Stable

The credit rating definitions of the rating agency are as follows:-

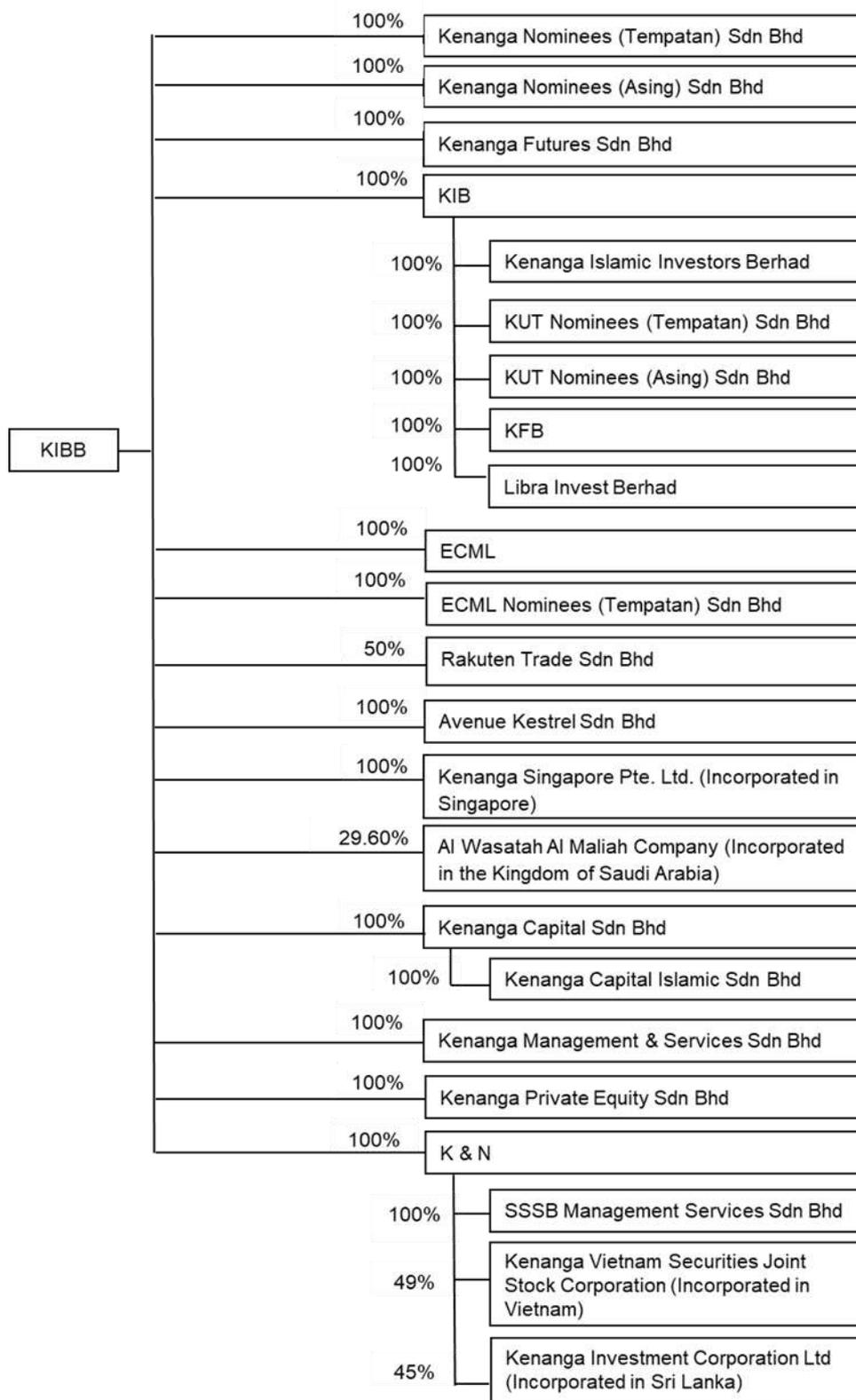
Rating	Definition
A+	An institution rated A has a strong capacity to meet its financial commitments but is somewhat more susceptible to adverse developments in the economy, and to business and other external conditions than institutions in higher-rated categories. Some minor weaknesses may exist, but these are moderated by other positive factors.
MARC-1	An institution rated MARC-1 has a superior capacity to meet its financial commitments in a timely manner. Adverse developments in the economy, and in business and other external conditions are likely to have a negligible impact on the institution's capacity to meet its financial obligations.

Note:-

For long-term ratings, ratings from AA to B may be modified by a plus (+) or minus (-) suffix to show its relative standing within the major rating categories.

6. INFORMATION ON KIBB (Cont'd)

6.1.4 KIBB Group Structure



6. INFORMATION ON KIBB (Cont'd)

6.2 SHARE CAPITAL

Our Company's issued share capital as at the LPD is as follows:-

	No. of Ordinary Shares ('000)	Amount RM '000
Issued share capital	722,741	246,249

6.3 OUR BOARD

As at the LPD, our Directors comprise the following:-

Name	Designation	Year appointed	Expiration date of current term of appointment
Izlan Bin Izhab	Chairman/ Independent Non-Executive Director	2016	31.12.2020
Datuk Syed Ahmad Alwee Alsree	Deputy Chairman/ Non- Independent Non- Executive Director	2010	26.08.2021
Dato' Richard Alexander John Curtis	Non-Independent Non- Executive Director	2007	29.01.2021
Luigi Fortunato Ghirardello	Non-Independent Non- Executive Director	2008	28.07.2020
Ismail Harith Merican	Non-Independent Non- Executive Director	2010	14.04.2022
Luk Wai Hong, William	Independent Non- Executive Director	2013	31.10.2022
Jeremy Bin Nasrulhaq	Independent Non- Executive Director	2017	31.05.2020
Norazian Binti Ahmad Tajuddin	Independent Non- Executive Director	2017	14.12.2020
Kanagaraj Lorenz	Independent Non- Executive Director	2017	25.12.2020

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6. INFORMATION ON KIBB (Cont'd)

6.4 OUR KEY MANAGEMENT TEAM

Our key management team as at the LPD is as set out below.

Name	Designation
Datuk Chay Wai Leong	Group Managing Director
Lee Kok Khee	Executive Director, Head of Group Equity Broking Business
Datuk Roslan Hj Tik	Executive Director, Head of Group Investment Banking and Islamic Banking
Cynthia Woon Cheng Yee	Head, Group Treasury
Megat Mizan Nicholas Denney	Executive Director, Head of Group Business Development
Maheswari Kanniah	Group Chief Regulatory and Compliance Officer
Cheong Boon Kak	Group Chief Financial and Operations Officer
Woo King Huat	Chief Credit Officer
Lum Chee Wah	Head, Group Operations
Tai Yan Fee	Group Chief Risk Officer
Terence Tan Kian Meng	Group Chief Internal Auditor
Nik Hasniza Binti Nik Ibrahim	Head, Group Human Resource
Chua E Long	Chief Technology Officer

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6. INFORMATION ON KIBB (Cont'd)

6.5 OUR SUBSTANTIAL SHAREHOLDERS

As at the LPD, our substantial shareholders comprise the following:-

Name	Nationality/ Country of Incorporation	No. of Shares Held			
		Direct	⁽³⁾ %	Indirect	⁽³⁾ %
CMS Capital Sdn Bhd	Malaysia	153,353,000	21.95	-	-
Cahaya Mata Sarawak Berhad	Malaysia	30,070,000	4.30	⁽¹⁾ 153,353,000	21.95
Tan Sri Dato' Paduka Tengku Noor Zakiah Binti Tengku Ismail	Malaysian	100,969,770	14.45	⁽²⁾ 43,500	0.01
Tokai Tokyo Financial Holdings, Inc.	Japan	36,514,799	5.23	-	-

Note:-

(1) Deemed interested pursuant to Section 8(4) of the Act by virtue of shares held by CMS Capital Sdn Bhd.

(2) Deemed interested by virtue of shares held by person connected.

(3) Excluding 24,053,900 treasury shares currently retained by the Company.

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6. INFORMATION ON KIBB (Cont'd)**6.6 SUBSIDIARIES AND ASSOCIATE COMPANIES**

Details of our subsidiaries and associate companies as at the LPD are as follows:-

Company	Date and Place of Incorporation	Issued Share Capital RM (unless stated otherwise)	Effective Equity Interest %	Principal Activities
<i>Subsidiaries of Kenanga Investment Bank Berhad</i>				
Kenanga Nominees (Tempatan) Sdn Bhd (197301003326 (16778-M))	19.12.1973 Malaysia	2	100	Provision of nominee services
Kenanga Nominees (Asing) Sdn Bhd (199301025305 (280043-U))	28.10.1993 Malaysia	3	100	Provision of nominee services
KIB (199501024358 (353563-P))	2.8.1995 Malaysia	18,465,300	100	Promotion and management of collective investment schemes and the management of investment funds
ECML Berhad (193001000016 (682-X))	2.6.1930 Malaysia	1,000	100	Dealings in securities and derivatives, and provision of corporate finance and other advisory services
ECML Nominees (Tempatan) Sdn Bhd (193801000015 (938-T))	10.2.1938 Malaysia	50	100	Provision of nominee services
Avenue Kestrel Sdn Bhd (198301001914 (97150-A))	3.2.1983 Malaysia	39,000,000	100	Stock broking business
Kenanga Futures Sdn Bhd (199501024398 (353603-X))	2.8.1995 Malaysia	5,000,000	100	Futures broker

6. INFORMATION ON KIBB (Cont'd)

Company	Date and Place of Incorporation	Issued Share Capital (unless stated otherwise)	Effective Equity Interest %	Principal Activities
Kenanga Singapore Pte. Ltd. (201433886E)	12.11.2014 Singapore	SGD 1	100	Dealing in securities, advising in corporate finance, securities financing and providing custodial services for securities
K & N Kenanga Holdings Berhad (199401017181 (302859-X))	7.6.1994 Malaysia	2	100	Investment holding
Kenanga Capital Sdn Bhd (199701024604 (440102-V))	24.7.1997 Malaysia	13,000,000	100	Licensed money lender
Kenanga Management & Services Sdn Bhd (198001007478 (61262-V))	7.8.1980 Malaysia	600,000	100	Investment in property and provision of management and maintenance services
Kenanga Private Equity Sdn Bhd (199701007563 (423059-P))	14.3.1997 Malaysia	1,750,000	100	Private equity management
<i><u>Subsidiary of K & N Kenanga Holdings Berhad</u></i>				
SSSB Management Services Sdn Bhd (199101009010 (219322-W))	20.6.1991 Malaysia	180,000,000	100	Stock broking business
<i><u>Subsidiaries of KIB</u></i>				
KUT Nominees (Tempatan) Sdn Bhd (200201001942 (569605-D))	23.1.2002 Malaysia	2	100	Provision of nominee services

6. INFORMATION ON KIBB (Cont'd)

Company	Date and Place of Incorporation	Issued Share Capital (unless stated otherwise)	Effective Equity Interest %	Principal Activities
KUT Nominees (Asing) Sdn Bhd (200201001939 (569602-K))	23.1.2002 Malaysia	2	100	Provision of nominee services
Kenanga Islamic Investors Berhad (199701036457 (451957-D))	5.11.1997 Malaysia	5,000,000	100	Management of Islamic collective investment schemes and Islamic investment funds
Kenanga Funds Berhad (200301017657 (620077-K))	30.6.2003 Malaysia	22,450,000	100	Promotion and management of unit trust funds and the management of investment funds
Libra Invest Berhad (199501032001 (361207-D))	27.9.1995 Malaysia	6,500,000	100	Management of unit trust funds and the provision of fund management services
<i><u>Subsidiary of Kenanga Capital Sdn Bhd</u></i>				
Kenanga Capital Islamic Sdn Bhd (201101010778 (938908-X))	4.4.2011 Malaysia	2,500,000	100	Islamic factoring and leasing
<i><u>Associate Company of Kenanga Investment Bank Berhad</u></i>				
Al Wasatah Al Maliah Company (Commercial Registration No. 1010241832)	30.12.2007 Kingdom of Saudi Arabia	SR250,000,000	29.6	Dealing as principal and provision of underwriting, arranging, managing investment funds and custodian services

6. INFORMATION ON KIBB (Cont'd)

Company	Date and Place of Incorporation	Issued Share Capital (unless stated otherwise)	Effective Equity Interest %	Principal Activities
<i>Associate Companies of K & N Kenanga Holdings Berhad</i>				
Kenanga Vietnam Securities Joint Stock Corporation (72/UBCK - GPHDKD)	3.12.2007 Vietnam	VND 135,000,000,000	49	Securities brokerage, depository and advisory business
Kenanga Investment Corporation Ltd (PB300)	28.11.2006 Sri Lanka	LKR 25,000,070	45	Investment banking related activities
<i>Joint Venture of Kenanga Investment Bank Berhad</i>				
Rakuten Trade Sdn Bhd (199301011963 (266701-P))	11.6.1993 Malaysia	80,000,000	50	Dealing in securities restricted to listed securities and investment advice

6.7 RISK MANAGEMENT

The key roles and responsibilities of GRM includes the development of risk frameworks, policies and procedures, risk management methodologies and risk limits, risk analytics, independent credit assessments, risk monitoring and reporting.

Under the risk governance structure, GRM reports to the Board's appointed committee that is the GBRC comprising of Non-Executive Directors of which was established in May 2006 as part of the Board delegated authority to identify, assess, manage and control different types of risks affecting the Group, which include credit risk, market risk, operational risk, liquidity risk and other significant risks. The GBRC is supported by the Group Risk Committee ("GRC") which is comprised of members from the senior management. The GRC meets regularly to discuss specific risks that are monitored, reviewed and reported to the GBRC and to the Board where risk dashboards are presented and addressed.

The GBRC is entrusted to ensure that risk management is consistently adopted throughout the Group and is within the parameters established by the Board. The committee ensures that risk management function at all levels is carried out effectively whilst in compliance with the governing legal and regulatory requirements set by BNM, SC and Bursa Securities.

The principal risks to which we are exposed to and how they are managed are as follows:

Market risk

Market risk is defined broadly as any fluctuation in the market value of a trading or investment position arising from movements in market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices and their associated volatility. In the course of conducting normal investment banking business, the Group enters into a variety of

6. INFORMATION ON KIBB *(Cont'd)*

transactions in different markets such as equity, bond, foreign exchange and derivatives. In general, we manage our market risk exposure as a portfolio by employing a variety of strategies.

In managing the market risk exposure as a portfolio, our traders may purchase, trade or maintain in the underlying securities or Underlying Instruments or derivatives (whether over-the-counter or listed) of the same underlying securities or Underlying Instruments to hedge the market risk arising from the issuance of Structured Warrants.

These hedging activities may occur from time to time before the Structured Warrants mature and will depend on market conditions, the value of the underlying securities, and the scope of our market making activities in respect of the Structured Warrants.

GRM adopts various measurements to manage the hedging and trading activities. This is to ensure all market risk exposures undertaken by our Group is within the risk appetite approved by our Board. All market risk exposures are calculated and monitored by GRM, and reported to the GRC, GBRC and Board on a regular basis.

The limits that are approved by the risk governance structure are communicated to the appropriate personnel through the limits policy and current limit structure for each business division and GRM would monitor the position accordingly to the limit framework that sets limit for all exposures in all markets.

Credit risk

Credit risk resulting from counterparty defaulting is controlled by the application of credit approvals, limits and monitoring procedures. The credit risk management unit ensures that the risk exposures we undertake match our risk appetite, and that we adhere to proper authorisation. There are frameworks in place to monitor problematic credit exposures identified by business units and the management. Proactive measures are taken, where possible, to minimise the financial losses that such exposure may bring to the Group. Any credit limit breaches will be brought to the attention of the GBRC and Board on a timely and systematic manner so that effective remedial actions can be taken to prevent or minimise any potential damage.

Credit risk is minimised by only transacting with counterparties that have high creditworthiness. Exposures from trading are monitored on an ongoing basis via an online risk management reporting system. The Group through the Board and management reviews all significant exposure to individual customers and counterparties and reviews any major concentration of credit risk related to any financial instruments.

Operational risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal process, people, system or from external event which includes legal risk and shariah compliance risk in our day- to-day operations.

There are 3 main operational risk management tools developed in managing operational risk such as:

- (i) Risk and Control Self-Assessment which involves in identifying and assessing inherent risks from its impact and likelihood of occurrence, existing control effectiveness with appropriate level of internal controls/risk mitigations.

6. INFORMATION ON KIBB (Cont'd)

- (ii) Key Risk Indicators which involves collection of data on an on-going basis for early detection of operational control deficiencies and enable timely action to be taken in managing operational risk exposures.
- (iii) Operational Risk Loss Data collection which involves collecting and analysing the operational loss events to identify control weaknesses, underlying causes and introduce controls to strengthen the internal control environment.

Liquidity risk

Liquidity risk is defined as the risk that the bank is unable to meet its present and future funding needs or regulatory obligations, when they come due, which may adversely affect its daily operations and incur unacceptable losses. The Group actively manages our operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of our overall prudent liquidity management, the Group maintains minimum standards of risk parameters or indicators such as liquidity coverage ratio, net stable funding ratio, liquidity stress test to withstand liquidity stress and to manage liquidity risk. The risk parameters are monitored and reported to GRC, GBRC and Board on a periodic basis to ensure that the bank's liquidity risk profiles are within the approved limits and risk parameters.

As part of a comprehensive liquidity risk management program, the bank also developed and maintains a contingency funding plan (CFP). The CFP helps to ensure that the bank can prudently and efficiently manage routine and extraordinary fluctuations in liquidity

Technology risk

Technology risk refers to any adverse outcome, damage, financial loss, operations disruption, violation, irregularity or failure arising from the use of or reliance on computer hardware, software, electronic devices, networks and telecommunications systems. These risks can also be associated with systems failures, processing errors, software defects, hardware breakdowns, capacity deficiencies, network vulnerabilities, control weaknesses, security shortcomings, internal sabotage, espionage, malicious attacks, hacking incidents, fraudulent conduct and defective recovery capabilities.

Technology Risk Management is the continuous end-to-end process of establishing the context of identifying, analysing, evaluating, treating and monitoring technology risks to reduce and maintain risk within a predetermined acceptable level that will enable the Group to minimise failure of confidentiality, integrity or availability of an information system that may occur.

The key risk indicators are reported to the GRC, GBRC and Board on a regular basis.

6.7.1 Business Continuity Management ("BCM")

Business continuity is defined as maintaining the uninterrupted availability of all key business resources required to support essential business activities. Our Group BCM is an ongoing management and governance process supported by the senior management to ensure that the necessary steps are taken to identify the impact of potential losses, manage risk, maintain viable recovery strategies and plans as well as to ensure continuity of businesses through exercising testing, training, and regular reviews of the business continuity plan. It is a wide approach designed to ensure that the Group's critical business functions can be maintained or restored as quickly as possible in the event of either internal or external incidents/disaster.

The Group's Business Continuity Plan outlines our strategies in managing crisis by establishing a defined and systematic framework for organisation resiliency. It is designed for

6. INFORMATION ON KIBB (Cont'd)

effective response to a crisis or disaster to ensure non-disruption of business or efficient business resumption.

6.7.2 Regulatory Compliance Risk

In line with our Group's mission to achieve high standards of ethical, legal and regulatory compliance, it is our Group's policy to require each employee to understand and appreciate the requirements of all laws, regulations, guidelines and policies affecting his/her job responsibilities. It is also each employee's duty to at all times perform his/her responsibilities in a manner that complies with such requirements. In managing compliance risk, our Group has developed and maintains a regulatory framework that provides reasonable assurance that our activities and businesses comply with our Group's ethical standards, regulations, guidelines and policies.

6.8 AUDIT AND CONTROL

6.8.1 Audit Committee

As at the LPD, our Audit Committee comprises the following members:-

Name	Designation	Directorship in KIBB
Jeremy Bin Nasrulhaq	Chairman	Independent Non-Executive Director
Izlan Bin Izhab	Member	Independent Non-Executive Director
Luk Wai Hong, William	Member	Independent Non-Executive Director
Kanagaraj Lorenz	Member	Independent Non-Executive Director
Ismail Harith Merican	Member	Non-Independent Non-Executive Director

The Audit Committee was established to support the Board in ensuring that there is a reliable and transparent financial reporting process and act as a governance body with the oversight on the audit and control functions within the Group.

The roles and responsibilities of our Audit Committee shall include:-

- (i) Fair and Transparent Reporting
 - (a) Ensure fair and transparent reporting and prompt publication of financial statements.
 - (b) Review quarterly results and year-end financial statements, before the approval by the Board, focusing particularly on:-
 - changes in or implementation of major accounting policy changes;
 - significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and
 - compliance with accounting standards and other applicable laws and regulations.

6. INFORMATION ON KIBB (Cont'd)

(ii) Effectiveness of Internal Audit

(a) Oversee the effectiveness of the internal audit function of KIBB including:-

- reviewing, approving and reporting to the Board the audit scope, procedures and frequency;
- reviewing and reporting to the Board key audit reports and ensuring that senior management is taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by the internal audit;
- noting significant disagreements between the Group Chief Internal Auditor and the rest of the senior management team, irrespective of whether these have been resolved, in order to identify any impact the disagreements may have on the audit process or findings;
- establishing a mechanism to assess the performance and effectiveness of the internal audit function; and
- reviewing and reporting to the Board the adequacy of scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.

(b) Appoint, set compensation, evaluate performance and decide on the transfer and dismissal of the Group Chief Internal Auditor and of any staff member of the internal audit function at the request of the Group Chief Internal Auditor.

(iii) External Auditors

(a) Foster a quality audit of KIBB and its subsidiaries by exercising oversight over the external auditor, in accordance with the expectations set out in BNM's policy document on External Auditor, including:-

- making recommendations to the Board on the appointment and the annual reappointment of the external auditor upon assessment of the audit fee taking into consideration the independence and objectivity of the external auditor and the cost effectiveness of its audit;
- monitoring and assessing the independence of the external auditor including by approving the provision of non-audit services by the external auditor;
- monitoring and assessing the effectiveness of the external audit, including by meeting with the external auditor without the presence of senior management at least annually;
- maintaining regular, timely, open and honest communication with the external auditor, and requiring the external auditor to report to the Audit Committee on significant matters;
- ensuring that senior management is taking necessary corrective actions in a timely manner to address external audit findings and recommendations; and

6. INFORMATION ON KIBB (Cont'd)

- ensuring that senior management is taking necessary corrective actions in a timely manner to address external audit findings and recommendations.
- (b) Review the following and report the same to the Board:-
- with the external auditor, the nature and scope of their audit plan, their evaluation of the system of internal controls, their audit report and their management letter and discuss any matter that the external auditor may wish to raise in the absence of management, where necessary;
 - the assistance given by the employees of KIBB and/or its subsidiaries to the external auditor;
 - any letter of resignation from the external auditor of KIBB and/or its subsidiaries; and
 - whether there is reason (supported by grounds) to believe that the external auditor of KIBB and/or its subsidiaries is not suitable for re-appointment.
- (iv) Internal Controls
- (a) Review the effectiveness of the establishment and implementation of internal controls, compliance programme and risk management processes and systems of KIBB and its subsidiaries.
- (b) Review third-party opinions on the design and effectiveness of KIBB and its subsidiaries' internal control framework.
- (c) Ensure that senior management is taking necessary corrective actions in a timely manner to address control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by control functions such as risk management and compliance.
- (v) Effectiveness of the Controls Established for Anti-Money Laundering and Counter Financing of Terrorism ("**AML/CFT**")
- Assist the Board in:-
- (a) ensuring that independent audits are conducted to check and testing the effectiveness of the policies, procedures and controls for KIBB and its subsidiaries' AML/CFT measures;
- (b) reviewing internal control issues identified by the auditors and regulatory authorities and evaluating the adequacy and effectiveness of the internal controls for KIBB and its subsidiaries' AML/CFT measures;
- (c) ensuring the AML/CFT measures are in compliance with the relevant regulations and guidelines and whether the current AML/CFT measures which have been put in place are in line with the latest developments and changes to the relevant AML/CFT requirements; and
- (d) evaluating the reliability, integrity and timeliness of the internal and regulatory reporting and management information.

6. INFORMATION ON KIBB (Cont'd)

- (vi) Related Party Transaction

Review and report to the Board any related party transaction and conflict of interests situation that may arise within KIBB and/or its subsidiaries including any transaction, procedure or course of conduct that raises questions of management integrity.
- (vii) Regulatory Examinations/ Inspection Reports/ Reporting Obligations
 - (a) Ensure proper implementation and recommend appropriate remedial and corrective measures in respect of the findings arising from examinations/ inspections conducted by the regulatory authorities on KIBB and its subsidiaries.
 - (b) Ensure timely and effective communications/ reporting to the regulators on matters affecting the safety and soundness of KIBB and its subsidiaries upon becoming aware of the same.
- (viii) Reports of the internal auditors and the Audit Committee shall not be subject to the clearance of the management.
- (ix) Perform any other functions as may be mutually agreed by the Audit Committee and the Board.
- (x) Review the accuracy and adequacy of the Chairman's Statement in the Directors' Report, corporate governance disclosures and internal control, interim financial reports and preliminary announcements in relation to the preparation of financial statements.
- (xi) Monitor compliance with the Group Conflict Management Policy in respect of the Director's actual or potential conflicts of interest.
- (xii) Where the Audit Committee is of the view that a matter reported by the Audit Committee to the Board of KIBB has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Audit Committee must promptly report such matter to Bursa Securities.

6.8.2 Internal Audit

The Group Internal Audit ("GIA") provides independent and objective assurance to our Board that the established internal controls, risk management and governance processes are adequate, operating effectively and efficiently. To ensure the GIA's independence and objectivity, the GIA reports independently to our Audit Committee and is both independent and has no responsibility or authority over any of the activities, operations of the business and support units it reviews. An annual audit plan based on the appropriate risk based methodology is developed and approved by the Audit Committee. On a quarterly basis, audit reports and status of internal audit activities including the sufficiency of GIA resources are presented to the Audit Committee for review. Periodic follow up reviews are conducted to ensure adequate and timely implementation of the management action plans.

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6. INFORMATION ON KIBB (Cont'd)

6.9 SUMMARY OF KIBB GROUP'S HISTORICAL FINANCIAL INFORMATION

A summary of our Group's historical audited consolidated financial statements for the past four (4) financial years up to the financial year ended ("FYE") 31 December 2019 are set out below:-

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs"), and the requirements of the Act in Malaysia.

Consolidated statement of financial position

	31 December 2019 RM'000 Audited	31 December 2018 RM'000 Audited	31 December 2017 RM'000 Audited Restated	31 December 2016 RM'000 Audited Restated
ASSETS				
Cash and bank balances	2,063,057	1,351,260	1,347,517	1,227,601
Financial assets at fair value through profit or loss	328,680	189,224	557,568	388,248
Debt instruments at fair value through other comprehensive income	793,993	1,659,922	-	-
Equity instruments at fair value through other comprehensive income	1,088	1,754	-	-
Debt instruments at amortised cost	112,756	121,256	-	-
Financial investments available- for-sale	-	-	1,010,167	937,704
Financial investments held-to- maturity	-	-	38,001	40,000
Derivative financial assets	65,174	71,992	67,393	39,117
Loans, advances and financing Balances due from clients and brokers	2,064,674	2,004,915	2,195,501	2,105,584
Other assets	280,357	296,323	494,883	445,005
Statutory deposit with Bank Negara Malaysia	201,785	175,873	118,417	231,439
Tax recoverable	99,164	116,619	116,186	99,504
Investment in associates	24,155	25,428	23,167	7,465
Investment in a joint venture company	64,642	58,809	60,438	72,671
Property, plant and equipment	15,801	14,077	13,220	6,962
Intangible assets	170,450	186,322	189,842	191,717
Right-of-use assets	317,387	266,222	266,414	266,922
Deferred tax assets	24,656	-	-	-
	2,955	6,532	10,006	9,841
TOTAL ASSETS	6,630,774	6,546,528	6,508,720	6,069,780

6. INFORMATION ON KIBB (Cont'd)**Consolidated statement of financial position (cont'd)**

	31 December 2019 RM'000 Audited	31 December 2018 RM'000 Audited	31 December 2017 RM'000 Audited Restated	31 December 2016 RM'000 Audited Restated
LIABILITIES				
Deposits from customers	4,065,494	4,562,104	4,233,914	3,286,027
Deposits and placements of banks and other financial institutions	650,718	95,016	210,762	550,954
Balances due to clients and brokers	537,393	481,932	624,612	857,065
Derivative financial liabilities	13,416	12,693	36,174	47,406
Other liabilities	322,952	308,722	329,150	238,744
Obligations on securities sold under repurchase agreements	-	83,067	74,993	27,253
Borrowings	96,600	119,300	90,000	165,700
Lease liabilities	24,429	-	-	-
Provision for taxation and zakat	14,793	12,688	17,649	439
Deferred tax liabilities	690	-	-	-
TOTAL LIABILITIES	5,726,485	5,675,522	5,617,254	5,173,588
EQUITY				
Share capital	246,249	246,249	246,137	180,637
Treasury Shares	(16,990)	(16,808)	-	-
Reserves	675,030	641,565	645,329	705,319
Equity attributable to equity holders of the Bank	904,289	871,006	891,466	885,956
Non-controlling interests	-	-	-	10,236
TOTAL EQUITY	904,289	871,006	891,466	896,192
TOTAL LIABILITIES AND EQUITY	6,630,774	6,546,528	6,508,720	6,069,780
COMMITMENTS AND CONTINGENCIES	3,041,684	3,120,704	3,293,234	2,923,332

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6. INFORMATION ON KIBB (Cont'd)

Statement of profit or loss and other comprehensive income

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited Restated	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Operating revenue	650,823	669,368	648,235	585,317
Interest income	244,152	260,851	245,945	255,187
Interest expense	(158,731)	(177,851)	(159,116)	(166,458)
Net interest income	85,421	83,000	86,829	88,729
Net income from Islamic banking operations	17,982	15,760	11,082	15,933
Other operating income	346,628	353,286	368,147	304,696
Net income	450,031	452,046	466,058	409,358
Other operating expenses	(418,187)	(400,684)	(411,190)	(377,058)
Operating profit	31,844	51,362	54,868	32,300
Credit loss reversal/(expenses)	15,216	(29,823)	(1,600)	-
Bad debt recovered	3,464	13,860	707	-
(Allowance for)/Write back of impairment on:				
i. loans, advances and financing	-	-	-	(653)
ii. balances due from clients and brokers and other receivables	-	-	-	1,439
	50,524	35,399	53,975	33,086
Share of results of associates and joint venture	(7,573)	(6,548)	(13,356)	(549)
Profit before taxation and zakat	42,951	28,851	40,619	32,537
Taxation and zakat	(16,565)	(16,940)	(16,453)	(12,330)
Profit for the financial year	26,386	11,911	24,166	20,207
Other comprehensive (loss)/income:				
Items that will not be reclassified subsequently to profit or loss:				
Fair value loss on equity instruments at fair value through other comprehensive income ("FVOCI")	(666)	-	-	-
Share of other comprehensive gain/(loss) in associates	5,457	(4,506)	1,872	3,106
Income tax related to the above	160	-	-	-
Items that will be reclassified subsequently to profit or loss:				
Foreign exchange differences on consolidation	(994)	1,385	(6,990)	2,735
Fair value gain on debt instrument at FVOCI	11,626	7,948	-	-
Other comprehensive income/(loss) c/f:	15,583	4,827	(5,118)	5,841

6. INFORMATION ON KIBB (Cont'd)

Statement of profit or loss and other comprehensive income (cont'd.)

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited Restated	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Other comprehensive income/(loss) b/f:	15,583	4,827	(5,118)	5,841
Net gain on fair value changes of financial investments available-for- sale	-	-	3,333	7,122
Income tax relating to the components of other comprehensive income	(2,790)	(1,907)	(800)	(1,709)
Other comprehensive income/(loss) for the financial year, net of tax	12,793	2,920	(2,585)	11,254
Total comprehensive income for the financial year, net of tax	39,179	14,831	21,581	31,461
Profit for the financial year attributable to:				
Equity holders of the Bank	26,386	11,911	24,188	19,720
Non-controlling interests	-	-	(22)	487
	26,386	11,911	24,166	20,207
Total comprehensive income attributable to:				
Equity holders of the Bank	39,179	14,831	21,603	30,974
Non-controlling interests	-	-	(22)	487
	39,179	14,831	21,581	31,461
Earnings per share attributable to equity holders of the Bank:				
Basic (sen)	3.78	1.67	3.35	2.59
Fully diluted (sen)	3.78	1.67	3.35	2.59

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6. INFORMATION ON KIBB (Cont'd)

Statement of cash flows

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Cash flows from operating activities				
Profit before taxation and zakat	42,951	28,851	40,619	32,537
Adjustment for:-				
Allowance for impairment on loans, advances and financing	-	-	-	1,029
Depreciation of property, plant and equipment	10,724	13,843	13,154	12,390
Amortisation of intangible assets				
- software licence	4,305	213	666	970
Amortisation of right-of-use assets	9,769	-	-	-
Lease interest expenses	1,236	-	-	-
ESS expenses	1,733	2,319	-	-
Credit loss (reversal)/expense	(15,216)	29,823	1,600	-
Write back of impairment on balances due from clients and brokers, and other receivables	-	-	-	(1,352)
Property, plant and equipment written off	37	7	364	4,844
Bad debts written off	266	55	-	-
Other assets written off	-	32	-	-
Gross dividend income from investments	(1,384)	(1,302)	(1,897)	(2,406)
(Gain)/loss on disposal of property, plant and equipment	(23)	(93)	21	-
Operating profit before working capital changes carried forward	<u>54,398</u>	<u>73,748</u>	<u>54,527</u>	<u>48,012</u>

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6. INFORMATION ON KIBB (Cont'd)

Statement of cash flows (cont'd)

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Cash flows from operating activities (cont'd.)				
Operating profit before working capital changes brought forward	54,398	73,748	54,527	48,012
Net gain from sale of financial assets at fair value through profit or loss and derivatives	(56,878)	(35,300)	(57,370)	(59,574)
Net gain from sale of financial investments available-for-sale	-	-	(2,868)	(21,620)
Net gain from sale of financial investments at FVOCI	(12,072)	(2,816)	-	-
Unrealised loss/(gain) on revaluation of financial assets at fair value through profit or loss and derivatives	17,326	(14,950)	7,632	18,650
Share of results of associates and joint venture	6,905	6,548	13,356	549
Operating gain/(loss) before working capital changes	<u>9,679</u>	<u>27,230</u>	<u>15,277</u>	<u>(13,983)</u>

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6. INFORMATION ON KIBB (Cont'd)

Statement of cash flows (cont'd)

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
(Increase)/decrease in operating assets:				
Loans, advances and financing	(46,069)	160,299	(90,283)	(176,549)
Other assets	(19,960)	(57,625)	111,869	(20,330)
Statutory deposit with Bank Negara Malaysia	17,455	(433)	(16,682)	21,249
Balances due from clients and brokers	16,764	198,525	(49,978)	12,889
Trust monies and deposits	30,590	(50,447)	(18,523)	223,206
(Decrease)/increase in operating liabilities:				
Other liabilities	(4,597)	(20,064)	96,123	(19,833)
Balances due to clients and brokers	55,461	(142,680)	(232,453)	(39,237)
Deposits from customers	(496,610)	328,190	947,887	69,488
Deposits and placements of banks and other financial institutions	555,702	(115,746)	(340,192)	(24,205)
Obligations on securities sold under repurchase agreements	(83,067)	8,074	47,740	(68,057)
Cash generated from/(used in) operations	35,348	335,323	470,785	(35,362)
Taxation and zakat paid	(11,473)	(20,733)	(16,002)	(11,497)
Rental/lease payment (interest)	(1,235)	-	-	-
Net cash generated from/(used in) operating activities	<u>22,640</u>	<u>314,590</u>	<u>454,783</u>	<u>(46,859)</u>

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6. INFORMATION ON KIBB (Cont'd)

Statement of cash flows (Cont'd)

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Cash flows from investing activities				
Net cash outflow on acquisition of a subsidiary	(25,383)	-	-	-
Dividend income from investments	1,384	1,302	1,897	2,406
Purchase of property, plant and equipment	(9,143)	(10,330)	(17,452)	(158,627)
Purchase of intangible assets	(4,701)	(21)	(200)	(718)
Proceeds from disposal of property, plant and equipment and intangible assets	23	93	131	2,888
Acquisition of non-controlling interest	-	-	(10,050)	-
Additional investment in a joint venture	(10,000)	(10,000)	(12,500)	(7,500)
Net sale/(purchase) of securities	806,475	(333,290)	(223,259)	268,807
Net cash generated from/(used in) investing activities	<u>758,655</u>	<u>(352,246)</u>	<u>(261,433)</u>	<u>107,256</u>
Cash flows from financing activity				
Dividend paid	(7,686)	(21,653)	(16,257)	-
Issuance of new shares	-	112	-	-
Rental/lease payments (principal)	(8,341)	-	-	-
Net (repayment)/drawdown of borrowings	(22,700)	29,300	(75,700)	24,700
Buy-back of shares	(182)	(16,808)	-	-
Net cash (used in)/generated from financing activities	<u>(38,909)</u>	<u>(9,049)</u>	<u>(91,957)</u>	<u>24,700</u>
Net increase/(decrease) in cash and cash equivalents	742,386	(46,705)	101,393	85,097
Effect of exchange rate differences	1	1	-	-
Cash and cash equivalents at beginning of financial year	<u>1,096,373</u>	<u>1,143,077</u>	<u>1,041,684</u>	<u>956,587</u>
Cash and cash equivalents at end of financial year	<u>1,838,760</u>	<u>1,096,373</u>	<u>1,143,077</u>	<u>1,041,684</u>

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6. INFORMATION ON KIBB (Cont'd)

Statement of cash flows (Cont'd)

	12-months ended 31 December 2019 RM'000 Audited	12-months ended 31 December 2018 RM'000 Audited	12-months ended 31 December 2017 RM'000 Audited Restated	12-months ended 31 December 2016 RM'000 Audited Restated
Cash and cash equivalents comprise the followings:-				
Cash and balances with banks	1,990,155	1,260,864	1,106,958	1,087,208
Deposits and placements with banks and other financial institutions	72,902	90,396	240,559	140,393
Less: Monies and short-term deposits held in trust on behalf of dealers' representatives	(60,201)	(62,544)	(60,484)	(58,007)
Less: Segregated funds from customers	(164,096)	(192,343)	(143,956)	(127,910)
	1,838,760	1,096,373	1,143,077	1,041,684

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7. APPROVALS AND CONDITIONS

The Foreign Exchange Policy Department (“**FEP**”) (previously known as Foreign Exchange Administration Department (“**FEA**”)) of BNM has granted its approval to the Issuer to issue Structured Warrants for resident and non-residents of Malaysia via its letter dated 30 September 2010. The conditions imposed by BNM for the approval and the status of our compliance with these conditions are as follows:-

Details of conditions imposed	Status of compliance
The structured warrants do not lead to speculation on the ringgit.	Complied by the Issuer
All hedging of ringgit underlying reference assets by KIBB must be undertaken with licensed onshore banks or Bursa Securities.	Complied by the Issuer
All settlements in ringgit and hedging of currency exposure involving ringgit by KIBB and investors must be undertaken only with licensed onshore banks in Malaysia.	Complied by the Issuer
KIBB complies with all guidelines issued by relevant authorities, as well as written laws, in Malaysia.	Complied by the Issuer
In offering the above product, KIBB is subject to BNM’s Guidelines on Introduction of New Products, including the requirement to provide investors with full and accurate information on the risks associated with the ringgit-denominated cash settled European-style structured warrants.	Complied by the Issuer

We have registered a copy of this Base Prospectus with the SC. A copy of this Base Prospectus has also been lodged with the ROC who takes no responsibility for its content. We will be applying to the SC for the registration of each Term Sheets to be issued pursuant to each Offer. Each Term Sheet will contain supplemental disclosures and the particular terms and conditions of an Offer. A copy of the Term Sheets will also be lodged with the ROC.

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8. DIRECTORS' REPORT

kenanga

13 MAY 2020

Registered Office

Level 17,
Kenanga Tower
237, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan

The Warrantholders,

Dear Sir/Madam

On behalf of the Directors of Kenanga Investment Bank Bank Berhad ("KIBB"), I report after due inquiry that save as disclosed in the Base Prospectus during the period from 31 December 2019 (being the date to which the last audited financial statements of KIBB have been made) to **18 MAY 2020** (being a date not earlier than fourteen (14) days before the issue of this prospectus):

- (a) The business of KIBB and its subsidiaries ("KIBB Group") has, in the opinion of the Directors of KIBB, been satisfactorily maintained;
- (b) In the opinion of the Directors of KIBB, no circumstances have arisen which have adversely affected the trading or the values of the assets of the KIBB Group;
- (c) The current assets of the KIBB Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) There are no contingent liabilities arisen by reason of any guarantees or indemnities given by KIBB or any of its subsidiaries;
- (e) There has been, since the last audited financial statements of the KIBB Group, no default nor any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings in which the Directors of KIBB are aware of; and
- (f) There has been, since the last audited financial statements of the KIBB Group, no material changes in the published reserves nor any unusual factors affecting the profits of the KIBB Group.

Further to the above, in light of the Covid-19 pandemic, note that the KIBB Group is continuously assessing the impact of the Covid-19 pandemic to the KIBB Group's profit and financial position and is taking all reasonable measures to ensure the continued operation and management of the KIBB Group.

Yours faithfully

For and on behalf of the Board of Directors of
KENANGA INVESTMENT BANK BERHAD



IZLAN IZHAB

Chairman/Independent Non-Executive Director

9. DECLARATION BY THE ISSUER AND SOLICITOR

As indicated in Section 4.1.5 of this Base Prospectus, potential conflicts of interests may arise by virtue of us issuing securities to potential investors. However, any potential conflict of interest is mitigated via, amongst others, the following:

- (i) our Structured Warrants are governed by the Deed Poll;
- (ii) disclosure and representation in this Base Prospectus, Terms Sheets or any offer document in relation to the offering of Structured Warrants are governed by relevant regulations and guidelines pertaining to the contents of such documents;
- (iii) pricing mechanisms of the Structured Warrants are based on market parameters; and
- (iv) Chinese walls exist between departments and companies within our Group to ensure confidentiality of sensitive information. The conduct of our Company is regulated by FSA and our internal control and checks.

Messrs. Chooi & Company + Cheang & Ariff has been appointed as our Solicitors in respect of the Offer and has given confirmation that there is no conflict of interests in its capacity as our Solicitors in respect of the Offer.

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10. ADDITIONAL INFORMATION

10.1 GENERAL

10.1.1 Issuance and allotment of Structured Warrants

We will not allot or issue any Structured Warrants on the basis of this Base Prospectus later than twelve (12) months from the date of this Base Prospectus.

10.1.2 CBBCs legal liabilities in relation to any losses suffered

The KIBB Group shall not incur any liability (whether based on contract, tort (including but not limited to negligence), or any other legal or equitable grounds and without regard to the circumstances giving rise to any purported claim except in the case of wilful misconduct on the part of the KIBB Group) for any direct, consequential, special, indirect, economic, punitive, exemplary or any other loss or damage suffered or incurred by any other party arising from or in connection with the Mandatory Call Event or the suspension of trading or the non-recognition of trades after the Mandatory Call Event (“**Non-Recognition of Post Mandatory Call Event Trades**”), including without limitation, any delay, failure, mistake or error in the suspension of trading or Non-Recognition of Post Mandatory Call Event Trades.

Neither we nor the KIBB Group has any responsibility towards the investor for any losses suffered as a result of the suspension of trading and Non-Recognition of Post Mandatory Call Event Trades, in connection with the occurrence of the Mandatory Call Event or reinstatement of any Mandatory Call Event Trades cancelled in connection with the reversal of any Mandatory Call Event, notwithstanding that such suspension of trading and/or Non-Recognition of Post Mandatory Call Event Trades and/or reinstatement of any Mandatory Call Event trades cancelled occurs as a result of an error in the observation of the event.

10.2 MATERIAL LITIGATION

Save as disclosed below, as at the LPD, we are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which is outside the ordinary course of business and our Board is not aware of any proceedings, pending or threatened, against us or of any fact likely to give rise to any proceedings which might materially and adversely affect our ability to meet our obligations under the Structured Warrants.

- (a) **Kuching High Court (Suit No.: KCH-22-90-2011)**
Swee Joo Berhad (“SJB”) & 9 Others (collectively, the “Plaintiffs”) vs. Kenanga Investment Bank Berhad
Court of Appeal, Civil Appeal No. Q-02(W)-1276-08/2015
Kenanga Investment Bank Berhad vs. Swee Joo Berhad & 9 Others
Federal Court Civil Application No. 08-244-05-2016
Kenanga Investment Bank Berhad vs. Swee Joo Berhad & 9 Others
Federal Court Civil Application No. 08 (f) – 28-01/2018(Q)
Swee Joo Berhad & 9 Others vs Kenanga Investment Bank Berhad
Federal Court Civil Appeal No. 02(i)-109-11/2018(Q)
Swee Joo Berhad & 9 Others v Kenanga Investment Bank Berhad
(hereinafter referred to as “Case 1”)

Kuching High Court (Suit No.: KCH-22-5/1-2012)
Kenanga Investment Bank Berhad vs. Sim Swee Joo Holding Sdn. Bhd. & 7 Others
(collectively the “Defendants”)
Court of Appeal, Civil Appeal No. Q-02(W)-1277-08/2015
Kenanga Investment Bank Berhad vs. Sim Swee Joo Holding Sdn. Bhd. & 7 Others
Federal Court Civil Application No. 08-245-05/2016

10. ADDITIONAL INFORMATION (Cont'd)

Kenanga Investment Bank Berhad vs. Sim Swee Joo Holding Sdn.Bhd. & 7 Others
Federal Court Civil Application No. 08(F)-28-01/2018(Q)
Sim Swee Joo Holding Sdn. Bhd & 7 Others v Kenanga Investment Bank Berhad
Federal Court Civil Appeal No. 02(I)-109-11/2018(Q)
Sim Swee Joo Holding Sdn. Bhd. & 7 Others v Kenanga Investment Bank Berhad
(hereinafter referred to as “Case 2”)

In respect of Case 1:

On 18 May 2011, Swee Joo Berhad (“**SJB**”) and Asia Bulkers Sdn. Bhd. (“**ABSB**”) together with eight (8) other Plaintiffs commenced the proceedings, claiming for several injunctive and declarative reliefs and general and punitive damages together with interest and costs against Kenanga Investment Bank Berhad (“**KIBB**”).

The Plaintiffs’ claims arose from their dispute over the Memorandum of Deposit of Shares (“**MODs**”) executed by eight (8) of the Plaintiffs (“**Share Chargors**”) whereby they had charged their respective shares in SJB to KIBB as security for repayment of a term loan of RM120,000,000.00 granted by KIBB to SJB to part finance SJB’s purchase of two (2) ships through its subsidiary, namely ABSB (“**Term Loan**”).

The proceedings have arisen as a result of SJB’s default in repayment of the Term Loan. The essence of the Plaintiffs’ claims is to set aside the MODs and to claim for damages. KIBB filed its defence and counter-claim for defamation, misrepresentation and abuse of the Court’s process against the Plaintiffs.

On 28 March 2012, the Kuching High Court has ordered that Case 1 be heard together with Case 2.

In respect of Case 2:

On 12 July 2011, KIBB demanded from SJB, two (2) corporate guarantors (i.e ABSB and Johan Shipping Sdn. Bhd. (“**JSSB**”)), and the Share Chargors for the total outstanding sums due under the Term Loan of RM120,000,000.00 granted to SJB as all of them defaulted in repayment to the Issuer.

On 11 July 2011, SJB, ABSB and JSSB were voluntarily wound up. KIBB had filed its proof of debt with the Liquidator for these three (3) companies.

KIBB had exercised its right under the MODs against the Share Chargors for defaulting, by disposing of the charged shares on 15 November 2011 to utilize the share sale proceeds to reduce the total outstanding balance due under the Term Loan (leaving a shortfall sum of RM124,536,136.89) due as at 18 November 2011 (“**Shortfall Sum**”). KIBB had subsequently demanded for the Shortfall Sum from the Share Chargors, which the Share Chargors again defaulted.

KIBB is claiming from the Share Chargors a sum of RM124,536,136.89 due as at 18 November 2011 with interest thereon at the rate of 3.5% per annum above KIBB’s cost of funds, compounded monthly from 19 November 2011 to date of full settlement.

The Court has ordered that Case 2 be heard together with Case 1.

10. ADDITIONAL INFORMATION (Cont'd)

In respect of Case 1 and Case 2:

The decision for the matter was delivered on 8 July 2015 as follows:

- (a) that SJB & 9 Others' claim for Case 1, be allowed in terms of a declaration or order that KIBB is estopped from relying upon the MODs and/or undertaking to pay KIBB for any balance which may be due and/or from asserting personal liability on the part of the second to ninth Plaintiffs for the indebtedness;
- (b) KIBB's counter-claim for Case 1 be dismissed; and
- (c) the purchase price of the charged shares bought by KIBB in the sum of RM218,697.30 to be the cost of the action which the Plaintiffs must pay to KIBB.

KIBB filed its appeal to the Court of Appeal on 29 July 2015, while SJB & 9 Others filed a cross-appeal on 30 September 2015.

On 22 December 2017, the Court of Appeal delivered their decision as follows:

- a) judgment was granted in favour of KIBB against the Defendants in Case 2 for the outstanding balance due under the Term Loan; and
- b) SJB & 9 Others suit (i.e. Case 1) against KIBB be dismissed.

Following the Court of Appeal judgment, two (2) of the Plaintiffs reached a settlement with KIBB and have since withdrawn their application for leave to appeal to the Federal Court on 9 February 2018.

SJB & 7 Others had filed an application for leave to appeal to the Federal Court against the Court of Appeal's decision on 19 January 2018. On 25 October 2018, the Federal Court allowed the leave application and on 23 September 2019 the appeal was dismissed by the Federal Court.

Premised on the said judgment, KIBB commenced bankruptcy and winding-up proceedings against the relevant share chargors. On 3 October 2019, the share chargors whom are individuals were made bankrupt and on 25 October 2019, the share chargors which are corporations were wound up. KIBB has lodged its proofs of debt with the Insolvency Department against all the share chargors.

- (b) **Kuala Lumpur High Court Suit No: WA-22NCC-695-12/2019
Opes Capital Berhad ("Plaintiff") v. KIBB and 1 Other ("1st Defendant")
(collectively, "Defendants")**

The Plaintiff is alleging that, inter alia, the 1st Defendant (who was a dealer representative of KIBB) and another third party has failed to purchase certain shares of a public listed company on its behalf upon transmitting RM16,000,000 and had caused the Plaintiff to suffer losses.

Pursuant to a case management fixed on 11 March 2020, the Plaintiff has filed its affidavit in support of its application for discovery and interrogatories on 16 March 2020 and the Court has directed for: (i) the Defendants to file their affidavit in reply by 6 April 2020; (ii) the Plaintiff to file their affidavit in reply by 20 April 2020; (iii) the parties to file their respective written submissions by 4 May 2020; and (iv) the parties to file their respective reply submissions by 11 May 2020.

The trial is fixed on 26 July 2021 to 29 July 2021. The solicitors of KIBB are of the

10. ADDITIONAL INFORMATION *(Cont'd)*

view that the Plaintiff's claim against KIBB is without merit.

- (c) **Kuala Lumpur High Court Suit No: WA-22NCC-662-11/2019
Lai Sing Foo ("Plaintiff") v. KIBB, Lee Kim Lin (the "2nd Defendant") & Wong
Kong Choong @ Leong Kong Choong (the "3rd Defendant")**

The Plaintiff filed his claim on 25 November 2019. He alleged that the 2nd Defendant who is KIBB's former commissioned dealer representative, has arranged, purportedly in her capacity as KIBB's employee, for a share sale between the Plaintiff and the 3rd Defendant of shares in a public listed company (the "**Share Sale**"). The Plaintiff further alleged that he has transferred a sum of RM3,300,000 into his trust account with KIBB and for purpose of the Share Sale. However, the said Share Sale arrangement did not materialise and the shares had lost value. The Plaintiff claims KIBB is responsible for his losses.

KIBB is opposing the Plaintiff's claim and has filed its defence on 20 January 2020. On 5 March 2020, KIBB has filed an application for further and better particulars of the Plaintiff's statement of claim dated 25 November 2019 (the "**Application**"). The hearing of the Application is fixed on 20 May 2020 and the trial is fixed on 19 April 2021 to 22 April 2021. The solicitors for KIBB are of the opinion that KIBB has a good chance of success in defending the suit.

10.3 MATERIAL CONTRACTS

Save as disclosed below, our Company and subsidiaries have not entered into any material contract (not being contract entered into in our ordinary course of business), during the past two (2) years preceding the LPD:-

- (a) KIB entered into a shares purchase agreement on 28 March 2019 with ECM Libra Financial Group Berhad for the acquisition of 6,500,000 ordinary shares in Libra Invest Berhad representing 100% of the issued and paid up capital of Libra Invest Berhad for a purchase consideration of RM50,616,026.61 (comprising of the provisional purchase price of RM50,067,067 and adjustment amount of RM548,959.61). Upon the completion of the purchase on 8 July 2019, Libra Invest Berhad has become a wholly-owned subsidiary of KIB.
- (b) KIB entered into a business transfer agreement on 22 October 2019 as amended by the supplemental dated 4 November 2019 with Libra Invest Berhad for the transfer of the business assets and business liabilities of the identified funds ("**Business**") from Libra Invest Berhad which was to be transferred via a vesting order for the purchase consideration of RM1.00. The Business was vested over to KIB on 29 November 2019.

10.4 CONSENTS

The Solicitors for the Offer, Company Secretary, Auditors, MARC and Warrants Registrar have, before the issue of this Base Prospectus, given and have not subsequently withdrawn their written consents to the inclusion in this Base Prospectus of their names and all reference thereto in the form and context in which they appear in the Base Prospectus.

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10. ADDITIONAL INFORMATION (Cont'd)

10.5 CONFLICT OF INTEREST

Information on any agreement, arrangement or understanding (direct or indirect) in place at the relevant latest practicable date between KIBB Group, and any substantial shareholder of the relevant underlying corporation, where such agreement, arrangement or understanding will have an effect on the issuance of the relevant Structured Warrants (if applicable), shall be disclosed accordingly in the relevant Term Sheets to be issued.

10.6 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of at least twelve (12) months from the date of this Base Prospectus:-

- (i) Our Constitution;
- (ii) Deed Poll;
- (iii) Warrant Agency Agreement;
- (iv) The audited financial statements of KIBB and its subsidiaries for the last four (4) financial years up to the FYE 31 December 2019;
- (v) Relevant cause papers in respect of the material litigation referred to in Section 10.2 of this Base Prospectus;
- (vi) The material contracts referred to in Section 10.3 of this Base Prospectus; and
- (vii) The letters of consent referred to in Section 10.4 of this Base Prospectus.

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10. ADDITIONAL INFORMATION (Cont'd)

10.7 RESPONSIBILITY STATEMENT

- (i) We acknowledge that, based on all available information, and to the best of our knowledge and belief, this Base Prospectus constitutes a full and true disclosure of all material facts concerning the Offer.
- (ii) Our Directors have seen and approved this Base Prospectus. Our Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Base Prospectus and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in this Base Prospectus false or misleading.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL

ANNEXURE I PRINCIPAL TERMS OF DEED POLL

The Structured Warrants are constituted by the Deed Poll which sets out the salient terms of each series of Structured Warrants.

The Deed Poll is available for inspection at our registered office or the office of the Warrant Registrar during office hours for a period of twelve (12) months from the date of the Base Prospectus and prospective investors are advised to read and understand the Deed Poll in its entirety.

DEFINITIONS

In these Conditions, the following expressions shall unless the context otherwise requires have the respective meanings set opposite them:

“Act”	Companies Act 2016 as amended from time to time, and any re-enactment thereof;
“Assets”	all assets and property of any nature, whether present or future, including without limitation any undertaking, business, revenue, income, rights and benefits;
“Base Prospectus”	the base prospectus dated 18 May 2020 to be issued by the Issuer in respect of the Structured Warrants, which is valid for 12 months from the date of issuance, as updated or amended from time to time by way of successor documents, and as supplemented by the Issuer from time to time by a Term Sheet for each series of Structured Warrants;
“Bull Equity Linked Structures” or “Bull ELS”	contract under which the Warrantheader has the right to receive on the settlement date: (i) the principal amount plus the enhanced yield amount in the form of cash, where the closing price of the underlying share on the Expiry Date is at or above the exercise price; or (ii) a specified number of underlying shares or an amount in the form of cash calculated by reference to the price of the underlying share, where the closing price of the underlying share on Expiry Date is below the exercise price;
“Bursa Depository”	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W));
“Bursa Securities”	Bursa Malaysia Securities Berhad (200301033577 (635998-W));
“Cash Settlement Amount”	the amount of cash to be paid on the valid exercise of the Structured Warrants in accordance with the Conditions;
“Callable bull/bear certificate” or “CBBC”	contract under which upon the occurrence of a Mandatory Call Event, will be called and terminated before its Expiry Date. A Warrantheader shall have actual, contingent or prospective right to receive a cash amount, depending on the fluctuations in the value or price of an Underlying Instrument, and the amount will be calculated in accordance with the contract;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Conditions”	the Conditions of the Structured Warrants set out in the Second Schedule to this Deed Poll as may from time to time be modified in accordance with the provisions set out in this Deed Poll;
“Constitution”	the Issuer’s constitution as may be varied and/or amended from time to time;
“Deed Poll”	this deed poll as amended, modified or supplemented from time to time in accordance with the provisions of this deed poll, and includes any Schedule to supplement this deed poll which sets out the terms and conditions of a specific series of Structured Warrants;
“Depositor”	a holder of a Securities Account;
“Director”	a director of the Issuer;
“Encumbrance”	any charge, mortgage, pledge, lien, hypothecation or other encumbrance;
“ETF”	an exchange-traded fund;
“Event of Default”	a default by the Issuer in the performance of any of its settlement obligations under this Deed Poll;
“Exercise Date”	(i) in relation to American Style Structured Warrants, a Market Day during the Exercise Period on which the duly completed Exercise Notice is received by the Warrant Registrar; or (ii) in relation to European Style Structured Warrants, the Expiry Date.
“Exercise Period”	In relation to American Style Structured Warrants, the period during which the Warrantholder may exercise the exercise rights attached to a Structured Warrant(s), which period shall commence on the date the Structured Warrants are listed and ending at 9.00 a.m. on the Expiry Date;
“Exercise Notice”	a notice of exercise of Structured Warrants substantially in the form obtainable from the Warrant Registrar;
“Expiry Date”	such date of expiry of a particular Structured Warrant to be determined by the Issuer and as specified in the relevant Term Sheet, after which any outstanding unexercised Structured Warrants shall be automatically exercised and cease to be valid and the Issuer’s obligations in respect of the Structured Warrants shall terminate absolutely. Provided that if the Expiry Date is not a Market Day, the Expiry Date shall be the next succeeding Market Day;
“Form of proxy”	the form of proxy referred to in Paragraph 7(1) under the Third Schedule to this Deed Poll;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Governmental Agency”	any government, semi-governmental, regulatory, administrative, fiscal or judicial: (i) body; (ii) commission; (iii) authority; (iv) tribunal; or (v) agency;
“Group”	collectively the Issuer and its subsidiaries (as defined in the Act);
“Issuer”	KENANGA INVESTMENT BANK BERHAD (Registration No.: 197301002193 (15678-H)), a company incorporated in Malaysia with its registered office at Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur;
“Listing Requirements”	means the Main Market Listing Requirements of Bursa Securities;
“Market Day”	(i) In relation to Structured Warrants issued over Underlying Shares or Underlying ETF, means a day (other than Saturday, Sunday or public holiday) on which the relevant Securities Exchange(s) is/(are) open for trading during the normal trading hours in the respective place where the relevant Underlying Shares or Underlying ETF and Structured Warrants are quoted and traded; or (ii) In relation to Structured Warrants issued over an Underlying Index, means a day (other than Saturday, Sunday or public holiday) on which the relevant Securities Exchange is open for trading during the normal trading hours in the place where the relevant Underlying Index is compiled and published and the Structured Warrants are quoted and traded, as the case may be;
“Ordinary Resolution”	a resolution passed at a meeting of Warrantholder(s) of a series of Structured Warrants duly convened and held in accordance with the provisions of this Deed Poll and carried by a majority consisting of more than fifty percent (50%) of the votes cast upon a show of hands or, if a poll is duly demanded, by a majority consisting of more than fifty percent (50%) of the votes cast on a poll;
“Physical Settlement Amount”	means in respect of the number of Bull ELS held on the Expiry Date, the number of Underlying Shares to be delivered to the Warrantholder, if applicable;
“Prescribed Security”	a security which has been prescribed by Bursa Securities to be deposited with Bursa Depository under section 14 of SICDA;
“Proxy”	a proxy referred to in Paragraph 7(1) under the Third Schedule to this Deed Poll;
“Record of Depositors”	the record provided by Bursa Depository to a listed issuer under Chapter 24.0 of the Rules of Bursa Depository;
“Relevant Currency”	such currency of trading to which the Underlying Share, the Underlying ETF or the Underlying Index, as the case may be, relates and as

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

	specified in the relevant Term Sheet;
“RM”	means the monetary unit of the legal currency of Malaysia;
“Rules of Bursa Depository”	the rules of Bursa Depository as issued under the SICDA;
“SICDA”	the Securities Industry (Central Depositories) Act 1991, as amended from time to time, and any re-enactment thereof;
“SC”	Securities Commission Malaysia;
“Secretary”	Company secretary of the Issuer;
“Securities Account”	an account established by Bursa Depository for a Depositor for the recording of deposits of securities and for dealing in such securities by the Depositor as permitted under SICDA and/or the Rules of Bursa Depository;
“Securities Exchange(s)”	such exchange or quotation system in Malaysia and securities exchange outside Malaysia in which the Underlying Shares, Underlying ETF, the Underlying Index, or Structured Warrants are quoted and/or traded as specified in the relevant Term Sheets;
“Settlement Currency”	such currency, upon which payment is made to the Warrantholder, to be determined by the Issuer and as specified in the relevant Term Sheet;
“Special Resolution”	a resolution passed at a meeting of Warrantholder(s) of a series of Structured Warrants duly convened and held and carried by a majority consisting of at least seventy five percent (75%) of the votes cast upon a show of hands or, if a poll is duly demanded, by a majority consisting of at least seventy five percent (75%) of the votes cast on a poll;
“Structured Warrant Certificate”	the certificate of each series of Structured Warrants issued or to be issued in respect of the Structured Warrants in or substantially in the form set out in the First Schedule of this Deed Poll by the Issuer to Bursa Depository or its nominee company as the same may from time to time be modified in accordance with this Deed Poll;
“Structured Warrants”	non-collateralised structured warrants proposed to be issued by the Issuer which include: <ul style="list-style-type: none">(i) American style cash-settled call/put warrants over a single equity;(ii) American style cash-settled call/put warrants over a basket of equities;(iii) American style cash-settled call/put warrants over a single index;(iv) American style cash-settled call/put warrants over an ETF;(v) European style cash-settled call/put warrants over a single equity;(vi) European style cash-settled call/put warrants over a basket of equities;(vii) European style cash-settled call/put warrants over a single index;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (viii) European style cash-settled call/put warrants over an ETF;
- (ix) European style cash-settled CBBCs over a single equity;
- (x) European style cash-settled CBBCs over a single index;
- (xi) European style cash-settled CBBCs over an ETF; and
- (xii) Bull ELS,

where the equity(ies) and ETF are listed on, and indices are based on Bursa Securities and/or Securities Exchanges outside Malaysia which are members of the World Federation of Exchanges or are approved by Bursa Securities.

Reference to **"Structured Warrant"** may mean any one of the Structured Warrants in this definition;

"Term Sheet(s)"	the document containing the specific terms and conditions and information on a specific series of Structured Warrants, to be issued by the Issuer from time to time and which shall be supplemental to and should be read in conjunction with the Base Prospectus;
"Underlying Company(ies)"	in relation to a particular series of Structured Warrants, the company(ies) or corporation(s) that has(have) issued the Underlying Shares;
"Underlying ETF"	in relation to a particular series of Structured Warrants, the units of ETF which are the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet;
"Underlying Index"	in relation to a particular series of Structured Warrants, the index which is the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet;
"Underlying Index Sponsor"	in relation to a particular series of Structured Warrants, the index sponsor which compiles and publishes the Underlying Index, as specified in the relevant Term Sheet;
"Underlying Share(s)"	in relation to a particular series of Structured Warrants, the shares or shares comprising the basket of shares which are the subject of that particular series of Structured Warrants, as specified in the relevant Term Sheet;
"VWAP"	means volume weighted average price;
"Warrant Agency Agreement"	the warrant agency agreement to be entered or entered into between the Issuer and the Warrant Registrar in relation to the Structured Warrants;
"Warrantholder(s)"	the person(s) whose names for the time being appear on the Record of Depositors for the Structured Warrants; and
"Warrant Registrar"	Boardroom Share Registrars Sdn Bhd (Registration No.: 197301002193 (378993-D)) (formerly known as Symphony Share Registrars Sdn Bhd), a company incorporated in Malaysia with its registered office at Level 6, Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, or any such person, firm or company as for the time being appointed by the Issuer.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

CONDITIONS:

(i) American style non-collateralised cash settled call/put warrants over a single equity

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warranholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warranholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warranholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warranholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warranholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warranholders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warranholder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment from the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and, calculated as follows less Exercise Expenses (as defined below):

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of call warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of put warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantheolders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying Share relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5- *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the amount of Structured Warrants which is exercised.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

Before the Expiry Date, the “**Closing Price**” shall be determined as follows:

- (i) on a receipt of a valid Exercise Notice before 12.30 p.m. of the Exercise Date being a Market Day which is prior to and including the sixth (6th) Market Day immediately before the Expiry Date, the Closing Price will be based on the closing market price of the Underlying Share on the Exercise Date; or
- (ii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which is prior to the sixth (6th) Market Day immediately before the Expiry Date, the Closing Price will be based on the closing market price of the Underlying Shares immediately following the Exercise Date; or
- (iii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which falls on the sixth (6th) Market Day immediately before the Expiry Date or at any time during the five (5) Market Days immediately before the Expiry Date, the Closing Price will be based on the Expiry Date Closing Price (as defined below).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

If the Exercise Date falls within the Take-Over Offer (as defined below) period or the compulsory acquisition period, the Closing Price shall be as calculated above or the announced price for the Take-Over Offer, whichever is lower (for Call Warrants) or higher (for Put Warrants), as the case may be.

If the Underlying Shares is suspended from trading as a result of the Take-Over Offer or the compulsory acquisition, and the Structured Warrants is only exercised subsequently, the Closing Price shall be the last quoted price of such Underlying Shares immediately before the suspension or the announced price for the Take-Over Offer, whichever is lower (for Call Warrants) or higher (for Put Warrants), as the case may be.

For the avoidance of doubt, in the event the Underlying Shares is delisted, the Closing Price shall, at the Issuer's discretion be the last quoted price of the Underlying Shares immediately before De-Listing (as defined below) or determined in accordance with the Expiry Date Closing Price (as defined below), as the case may be, and the Issuer shall not be obliged to make any adjustment to the Exercise Price.

If the Exercise Date falls on a Market Day when the Underlying Shares is suspended from trading for any other reason, the Closing Price shall be the last quoted price of such Underlying Shares immediately before the suspension.

On the Expiry Date, the Closing Price ("**Expiry Date Closing Price**") will be based on any one of the following:

- (i) the average daily VWAP of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date ("**Valuation Period**"); or
- (ii) the average closing price of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing price of the Underlying Shares on the Market Day immediately before the Expiry Date,

and as specified in the relevant Term Sheet and subject to the Market Disruption Event and other provisions herein.

If the Expiry Date falls within the Take-Over Offer period or the compulsory acquisition period, the Expiry Date Closing Price shall be the announced price for the Take-Over Offer or the compulsory acquisition, as the case may be.

If the Expiry Date falls on a Market Day when the Underlying Shares is suspended from trading as a result of the Take-Over Offer or the compulsory acquisition, the Expiry Date Closing Price shall be the announced price for the Take-Over Offer or the compulsory acquisition, as the case may be.

For the avoidance of doubt, in the event the Underlying Shares is delisted, the Expiry Date Closing Price shall, at the Issuer's discretion be the last quoted price of the Underlying Shares immediately before De-Listing or determined in accordance with the Expiry Date Closing Price (as defined above), as the case may be, and the Issuer shall not be obliged to make any adjustment to the Exercise Price.

If the Underlying Shares is suspended from trading for any reason other than the above or a public holiday unexpected by the Issuer occurs on any of the five (5)

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Market Days of the Valuation Period applicable shall be as determined by the Issuer at its absolute discretion.

For the Underlying Shares which are quoted on a Securities Exchange outside Malaysia, the Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Exercise Date (i.e. the Market Day on which the Closing Price for the Structured Warrants exercised on or prior to the Expiry Date is based) or any Market Day during the Valuation Period shall be referred to as the “**Valuation Date**”.

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the closing price of the Underlying Shares for such postponed Valuation Date will be the closing market price of the Underlying Shares on the first succeeding Market Day.

“**Exercise Price**” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Market Disruption Event**” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying Shares or the Structured Warrants, which includes but is not limited to the following events:

- (i) “**Trading Disruption**”, means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying Shares or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
- (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantheolders to the delivery of any Underlying Shares, is not secured by the Underlying Shares and does not confer on the Warrantheolders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Shares or otherwise) which a holder of the Underlying Shares may have.

3. Tenure, Exercise Period and Expiry Date

- (a) *Tenure.* The tenure of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.
- (b) *Exercise Period.* The Exercise Period shall be the period commencing on the date the Structured Warrants are listed and ending at 9.00 a.m. on the Expiry Date.
- (c) *Expiry Date.* Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any outstanding unexercised Structured Warrants shall be automatically exercised and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Exercise Notice.* Any determination as to whether the Exercise Notice is duly completed and in proper form shall be made by the Warrant Registrar and shall be conclusive and binding on the Warrantheolder. Any Exercise Notice so determined to be incomplete or not in proper form shall be deemed null and void. The Warrant Registrar shall notify the Warrantheolder submitting an Exercise Notice if it has been determined that such Exercise Notice is incomplete or not in proper form by ordinary post to the Warrantheolder's address recorded in the Record of Depositors or the Exercise Notice, at the risk of the Warrantheolder.
- (c) *Exercise Date.* The Market Day on which the duly completed Exercise Notice is delivered to the Warrant Registrar and in respect of which there is a valid exercise of Structured Warrants, provided that any Exercise Notice is received by the Warrant Registrar after 12.30 p.m. on any Market Day shall be deemed to have been delivered on the next following Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Exercise Date, the Exercise Date shall be the next following Market Day after the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Exercise Date, then Exercise Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Exercise Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

If the Structured Warrants are not earlier exercised, the Expiry Date of the Structured Warrants shall be deemed to be the Exercise Date in accordance with Condition 4(e) – *Automatic Exercise*.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

- (d) *Mode of Exercise*. The Structured Warrants may be exercised by valid delivery to the Warrant Registrar of an Exercise Notice within its business hours (from 9 a.m. to 5 p.m.) during the Exercise Period. The Warrant Registrar shall acknowledge receipt by stamping the date and time of receipt on the Exercise Notice. Delivery of the Exercise Notice shall constitute an irrevocable election and undertaking by the Warranholder specified in the Exercise Notice to exercise the number of Structured Warrants specified in the Exercise Notice and an irrevocable authority to the Issuer and the Warrant Registrar to deduct the aggregate Exercise Expenses, if any, from the aggregate Cash Settlement Amount.

Provided always that:

- (i) in every case compliance must also be made with the requirements set out in the Exercise Notice and other prevailing statutory requirements for the time being applicable;
- (ii) the Warranholder shall, if so required by the Warrant Registrar, furnish such evidence, if any, as the Warrant Registrar or the Issuer's directors may require to determine the due execution of the Exercise Notice by or on behalf of the Warranholder exercising the same. Once a valid Exercise Notice is duly delivered by the Warranholder to the Warrant Registrar, the exercise of such exercise rights shall be irrevocable save with the consent of the Issuer's directors; and
- (iii) where the Warranholder does not comply with the procedures or restrictions or conditions relating to the exercise of Structured Warrants, the Exercise Notice and any documents received shall be returned to such Warranholder by ordinary post to the Warranholder's address recorded in the Record of Depositors at the risk of the Warranholder.

Subject to a valid exercise or Automatic Exercise of Structured Warrants in accordance with Condition 4(e) – *Automatic Exercise* below within three (3) Market Days from the Exercise Date and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warranholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warranholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7)

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Market Days following the Exercise Date or Expiry Date (as the case may be). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantheader, the cheque shall be delivered by ordinary post to the Warrantheader's address last recorded in the Record of Depositors at the Warrantheader's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantheader to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (e) *Automatic Exercise.* The Warrantheaders are not required to serve any notice of exercise. If the Cash Settlement Amount is a positive figure, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantheaders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warrantheaders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantheaders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (f) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the relevant Underlying Shares being unable to settle payments or is unable to clear transfers of the relevant Underlying Shares; or
 - (dd) where the relevant Underlying Shares are denominated in a Relevant Currency, the inability to convert proceeds from the settlement of any of the relevant Underlying Shares traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

“**Settlement Date**” means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (g) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by an Underlying Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying Shares and, if so, the Issuer will:
- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such a Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange determined by the Issuer on which the shares constituting the Underlying Shares are listed and quoted, unless otherwise specified by the Issuer.

“**Potential Adjustment Event**” include any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Shares (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a call by the Underlying Company in respect of relevant Underlying Shares that are not fully paid;
- (iii) a repurchase or buy-back by the Underlying Company of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (iv) a rights issue or bonus issue of the Underlying Shares;
- (v) a capital repayment in cash whether in the form of special dividend or otherwise pursuant to the Act; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (vi) any other event which may have, in the Issuer's opinion a dilutive or concentrative or other effect on the theoretical value of the relevant Underlying Shares.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever the Underlying Company shall subdivide its Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a greater number of shares ("**Subdivision**") or consolidate the Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a smaller number of shares ("**Consolidation**"), the Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \quad x \quad \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation.

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (ii) *Rights Issue.* If and whenever the Underlying Company shall, by way of Rights (as defined below), offer new shares for subscription at a fixed subscription price to the holders of existing Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying Shares are traded on a cum-rights basis.

R: Subscription price per Underlying Share as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.

M: Number of new Underlying Shares (whether a whole or a fraction) per existing Underlying Share each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“Rights” means the Right(s) attached to each existing Underlying Share or needed to acquire one new Underlying Share (as the case may be) which are given to the holders of existing Underlying Shares to subscribe at a fixed subscription price for new Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue.* If and whenever the Underlying Company shall make a new issue of shares credited as fully paid to the holders of the relevant Underlying Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying Company or otherwise in lieu of a cash dividend and without

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying Shares (whether a whole or a fraction) received by a holder of existing Underlying Shares for each Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Capital Repayment.* If the Underlying Company of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

$$(i) \quad \text{Adjusted Exercise Ratio} = E \times \frac{(P-D)}{P}$$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying Shares on the last Market Day on which the Underlying Shares are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying Share held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the capital repayment exercise.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

Notwithstanding the above, if a capital repayment undertaken by the relevant Underlying Company results in a significant change in the business of such Underlying Company or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Structured Warrant held by such Warrantholder if the Cash Settlement Amount after deducting all Exercise Expenses, is greater than zero (without the Warrantholder having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

(c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying Shares, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) cancel the Structured Warrants by giving notice to the Warranholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warranholders which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*; or
- (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-Over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an Underlying Company:

- (1) all the Underlying Shares of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying Shares of that Underlying Company become legally prohibited from transferring them.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of such Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of an Underlying Company with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of arrangement or otherwise in which such Underlying Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Shares outstanding); or
- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding Underlying Shares of the Underlying Company that results in a transfer or an irrevocable commitment to transfer all such Underlying Shares (other than such Underlying Shares owned or controlled by such other entity or person); or
- (4) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding, results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than fifty percent (50%) of the outstanding Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

“Nationalisation” means that all the Underlying Shares or all or substantially all of the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“Option Reference Source” means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

“Take-Over Offer” means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent (100%) of the outstanding voting shares of the Underlying Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantheolders generally (without considering the circumstances of any individual Warrantheolder or the tax or other consequences of such adjustment in any particular jurisdictions).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheolders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back the Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity as a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheolders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warrantheolders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warrantheolders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warrantheolders.

Any resolutions to be passed in a meeting of the Warrantheolders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warrantheolders of each series of Structured Warrants; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
- (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

9. Notices

All notices to the Warrantheolders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warrantheolders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warrantheolders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deems fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all of the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warrantheolders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warrantheolders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warrantheolders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warrantheolder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warrantheolder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely.
 - (ii) the closing price of the Underlying Shares on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond its control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder equal to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL *(Cont'd)*

Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(ii) American style non-collateralised cash-settled call/put warrants over a basket of equities

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants will constitute general and unsecured contractual obligations of the Issuer and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheolder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and calculated as follows less Exercise Expenses (as defined below):

For the avoidance of doubt, the Warrantheolder shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of call warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Basket Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of put warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Basket Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Basket Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantholders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) basket of Underlying Shares relate, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheets.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

Before the Expiry Date, the “**Basket Closing Price**” shall be determined as follows:

- (i) on a receipt of a valid Exercise Notice before 12.30 p.m. of the Exercise Date being a Market Day which is prior to and including the sixth (6th) Market Day immediately before the Expiry Date, the Basket Closing Price will be based on the closing market prices of the Underlying Shares comprising the basket on the Exercise Date, adjusted for the relevant weighting of the Underlying Shares; or
- (ii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which is prior to the sixth (6th) Market Day immediately before the Expiry Date, the Basket Closing Price will be based on the closing market price of the Underlying Shares comprising the basket immediately following the Exercise Date; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (iii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which falls on the sixth (6th) Market Day immediately before the Expiry Date or at any time during the five (5) Market Days immediately before the Expiry Date, the Basket Closing Price will be based on the Expiry Date Basket Closing Price (as defined below).

On the Expiry Date, the Basket Closing Price ("**Expiry Date Basket Closing Price**") will be adjusted for relevant weighting of the Underlying Shares based on any one of the following:

- (i) the average daily VWAP of the Underlying Shares comprising the basket (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date ("**Valuation Period**"); or
- (ii) the average closing prices of the Underlying Shares comprising the basket (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing prices of the Underlying Shares comprising the basket on the Market Day immediately before the Expiry Date,

as specified by the relevant Term Sheet.

For the Underlying Shares comprising the basket which are quoted on a Securities Exchange outside Malaysia, the Basket Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Exercise Date (i.e. the Market Day on which the Basket Closing Price for Structured Warrants exercised on or prior to the Expiry Date is based) or any Market Day during the Valuation Period shall be referred to as "**Valuation Date**".

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as it may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the closing prices of the relevant Underlying Shares comprising the basket for such postponed Valuation Date will be the closing market prices of the relevant Underlying Shares comprising the basket on the first succeeding Market Day.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Exercise Price” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying Shares comprising the basket or the Structured Warrants, which includes but is not limited to the following events:

- (i) **“Trading Disruption”**, means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the relevant Underlying Shares or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
 - (ii) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
 - (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantholders to the delivery of any of the relevant Underlying Shares comprising the basket, is not secured by any of the relevant Underlying Shares comprising the basket and does not confer on the Warrantholders any right (whether in respect of voting, dividend or other distributions in respect of the relevant Underlying Shares comprising the basket or otherwise) which a holder of the relevant Underlying Shares comprising the basket may have.

3. Tenure, Exercise Period and Expiry Date

- (a) *Tenure.* The tenure of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.
- (b) *Exercise Period.* The Exercise Period shall be the period commencing on the date the Structured Warrants are listed and ending at 9.00 a.m. on the Expiry Date.
- (c) *Expiry Date.* Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any outstanding unexercised Structured Warrants shall be automatically exercised and

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Exercise Notice.* Any determination as to whether the Exercise Notice is duly completed and in proper form shall be made by the Warrant Registrar and shall be conclusive and binding on the Warrantholder. Any Exercise Notice so determined to be incomplete or not in proper form shall be deemed null and void. The Warrant Registrar shall notify the Warrantholder submitting an Exercise Notice if it has been determined that such Exercise Notice is incomplete or not in proper form by ordinary post to the Warrantholder's address recorded in the Record of Depositors or the Exercise Notice, at the risk of the Warrantholder.
- (c) *Exercise Date.* The Market Day on which the duly completed Exercise Notice is delivered to the Warrant Registrar and in respect of which there is a valid exercise of Structured Warrants, provided that any Exercise Notice is received by the Warrant Registrar after 12.30 p.m. on any Market Day shall be deemed to have been delivered on the next following Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event occurring on one or more of the Underlying Companies comprising the basket on the Exercise Date, the Exercise Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Exercise Date, then Exercise Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Exercise Date by determining the price of the relevant Underlying Shares comprising the basket and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

If the Structured Warrants are not earlier exercised, the Expiry Date of the Structured Warrants shall be deemed to be the Exercise Date in accordance with Condition 4(e) - *Automatic Exercise*.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

- (d) *Mode of Exercise.* The Structured Warrants may be exercised by valid delivery to the Warrant Registrar of an Exercise Notice within its business hours (from 9 a.m. to 5 p.m.) during the Exercise Period. The Warrant Registrar shall acknowledge receipt by stamping the date and time of receipt on the Exercise Notice. Delivery of the Exercise Notice shall constitute an irrevocable election and undertaking by the Warrantholder specified in the Exercise Notice to exercise the number of Structured Warrants specified in the Exercise Notice and an irrevocable authority to the Issuer and the Warrant Registrar to deduct the aggregate Exercise Expenses, if any, from the aggregate Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Provided always that:

- (i) in every case compliance must also be made with the requirements set out in the Exercise Notice and other prevailing statutory requirements for the time being applicable;
- (ii) the Warrantholder shall, if so required by the Warrant Registrar, furnish such evidence, if any, as the Warrant Registrar or the Issuer's directors may require to determine the due execution of the Exercise Notice by or on behalf of the Warrantholder exercising the same. Once a valid Exercise Notice is duly delivered by the Warrantholder to the Warrant Registrar, the exercise of such exercise rights shall be irrevocable save with the consent of the Issuer's directors; and
- (iii) where the Warrantholder does not comply with the procedures or restrictions or conditions relating to the exercise of Structured Warrants, the Exercise Notice and any documents received shall be returned to such Warrantholder by ordinary post to the Warrantholder's address recorded in the Record of Depositors at the risk of the Warrantholder.

Subject to a valid exercise or Automatic Exercise of Structured Warrants in accordance with Condition 4(e) – *Automatic Exercise* below within three (3) Market Days from the Exercise Date and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Exercise Date or Expiry Date (as the case may be). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantholder, the cheque shall be delivered by ordinary post to the Warrantholder's address last recorded in the Record of Depositors at the Warrantholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (e) *Automatic Exercise*. The Warrantholders are not required to serve any notice of exercise. If the Cash Settlement Amount is a positive figure, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (f) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"**Settlement Disruption Event**" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in any of the Underlying Shares comprising the basket being unable to settle payments or is unable to clear transfers of the relevant Underlying Shares; or
 - (dd) where the relevant Underlying Shares are denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the relevant Underlying Shares traded into the Settlement currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

"**Settlement Date**" means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (g) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by one or more of the Underlying Companies of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the relevant Underlying Shares and, if so, the Issuer will:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
- (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such a Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange as determined by the Issuer on which the shares constituting the relevant Underlying Shares comprising the basket are listed and quoted, unless otherwise specified by the Issuer.

“**Potential Adjustment Event**” include any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of the relevant Underlying Shares (unless a Merger Event (as defined below)) or a free distribution or dividend of such relevant Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a call by one or more of the relevant Underlying Companies in respect of relevant Underlying Shares that are not fully paid;
 - (iii) a repurchase or buy-back by one or more of the Underlying Companies of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (iv) a rights issue or bonus issue of one or more of the relevant Underlying Shares;
 - (v) a capital repayment in cash whether in the form of special dividend or otherwise pursuant to the Act by one or more of the Underlying Companies of the relevant Underlying Shares; or
 - (vi) any other event which may have, in the Issuer’s opinion a dilutive or concentrative or other effect on the theoretical value of one or more of the relevant Underlying Shares.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:

- (i) *Subdivisions or Consolidations.* If and whenever any one or more of the Underlying Companies shall subdivide its shares or any class of its outstanding share capital comprised of the relevant Underlying Shares into a greater number of shares (“**Subdivision**”) or consolidate the relevant Underlying Shares or any class of its outstanding share capital comprised of the relevant Underlying Shares into a smaller number of shares (“**Consolidation**”), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

- (i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(ii) **Adjusted Exercise Price =**

$$X \times \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(ii) *Rights Issue.* If and whenever one or more of the Underlying Companies shall, by way of Rights (as defined below), offer new shares for subscription at a fixed subscription price to the holders of existing relevant Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

(i) **Adjusted Exercise Ratio = $\frac{E}{\text{Adjustment Factor}}$**

(ii) **Adjusted Exercise Price = $\frac{X}{\text{Adjustment Factor}}$**

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the relevant Underlying Shares are traded on a cum-rights basis.
- R: Subscription price per the relevant Underlying Shares as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.
- M: Number of new relevant Underlying Shares (whether a whole or a fraction) per existing relevant Underlying Share each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing relevant Underlying Shares or needed to acquire one new relevant Underlying Share (as the case may be) which are given to the holders of existing relevant Underlying Shares to subscribe at a fixed subscription price for new relevant Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue.* If and whenever one or more of the Underlying Companies shall make a new issue of shares credited as fully paid to the holders of the relevant Underlying Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by such relevant Underlying Companies or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

- E: Existing Exercise Ratio immediately prior to the Bonus Issue.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional relevant Underlying Shares (whether a whole or a fraction) received by a holder of existing relevant Underlying Shares for each relevant Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(iv) *Capital Repayment.* If one or more of the Underlying Companies of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the relevant Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the relevant Underlying Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

(ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the relevant Underlying Shares on the last Market Day on which the relevant Underlying Shares are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying Share held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the capital repayment exercise.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

Notwithstanding the above, if a capital repayment undertaken by one or more of the Underlying Companies results in a significant change in the business of such Underlying Companies or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder if the Cash Settlement Amount after deducting all Exercise Expenses, is greater than zero (without the Warranholder having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

- (c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to one or more of the Underlying Companies of the relevant Underlying Shares, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;
 - (ii) cancel the Structured Warrants by giving notice to the Warranholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warranholder which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any of the relevant Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such relevant Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-Over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting any one or more of the Underlying Companies:

- (1) all the relevant Underlying Shares of that relevant Underlying Companies are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the relevant Underlying Shares of that relevant Underlying Companies become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of any one or more of the relevant Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such relevant Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of any one or more of the Underlying Companies with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

arrangement or otherwise in which such Underlying Companies is the continuing entity and which does not result in reclassification or change of all of such relevant Underlying Shares outstanding); or

- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding relevant Underlying Shares of any one or more of the relevant Underlying Companies that results in a transfer or an irrevocable commitment to transfer all such relevant Underlying Shares (other than such relevant Underlying Shares owned or controlled by such other entity or person); or
- (4) consolidation, amalgamation, merger or binding share exchange of any one or more of the Underlying Companies or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the relevant Underlying Companies are the continuing entity and which does not result in a reclassification or change of all such relevant Underlying Shares outstanding, results in the outstanding Underlying Shares (other than the relevant Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than fifty percent (50%) of the outstanding relevant Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

“Nationalisation” means that in respect of any one or more of the Underlying Companies, all the relevant Underlying Shares, or all or substantially all of the assets of the relevant Underlying Companies are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“Option Reference Source” means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

“Take-Over Offer” means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent (100%) of the outstanding voting shares of any one or more of the Underlying Companies, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deem relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer’s sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantholders generally (without considering the circumstances of any individual Warrantholder or the tax or other consequences of such adjustment in any particular jurisdiction).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back the Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warranholders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing prices of Underlying Shares comprising the basket on the Market Day immediately before the above events shall form the Basket Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) (*Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares comprising the basket for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warrantheolders in accordance with Condition 9 – *Notices*).
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantheolder in respect of each Structured Warrant held by such Warrantheolder equal to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares comprising the basket related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantheolders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warrantheolders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warrantheolder and such Warrantheolder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370)* (revised 2002) of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warrantheolder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(iii) American style non-collateralised cash-settled call/put warrants over a single index

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warranholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warranholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warranholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warranholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warranholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warranholders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warranholder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment from the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and calculated as follows less Exercise Expenses (as defined below):

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of Call Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Level} - \text{Exercise Level}) \times \text{Index Currency Amount} \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Level} - \text{Closing Level}) \times \text{Index Currency Amount} \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Level and the Exercise Level (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrant holders.

“**Index Currency Amount**” means the amount of unit currency relating to one (1) integral point of the Underlying Index, as specified in the relevant Term Sheet.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying Index relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

Before the Expiry Date, the “**Closing Level**” shall be determined as follows:

- (i) on a receipt of a valid Exercise Notice before 12.30 p.m. of the Exercise Date being a Market Day which is prior to and including the sixth (6th) Market Day immediately before the Expiry Date, the Closing Level will be based on the closing market level of the Underlying Index on the Exercise Date; or
- (ii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which is prior to the sixth (6th) Market Day immediately before the Expiry Date, the Closing Level will be based on the closing market level of the Underlying Index immediately following the Exercise Date; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (iii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which falls on the sixth (6th) Market Day immediately before the Expiry Date or at any time during the five (5) Market Days immediately before the Expiry Date, the Closing Level will be based on the Expiry Date Closing Level (as defined below).

On the Expiry Date, the Closing Level ("**Expiry Date Closing Level**") will be based on any one of the following:

- (i) the closing level of the Underlying Index on the Market Day immediately before the Expiry Date; or
- (ii) the final settlement price for settling the corresponding spot month index futures contracts on the Expiry Date; or
- (iii) the average closing levels of the Underlying Index for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date ("**Valuation Period**").

and as specified by the relevant Term Sheet and subject to the Market Disruption Event (as defined below).

If on the relevant date the Underlying Index Sponsor has not published the Underlying Index for the purpose of calculating the Closing Level, the Closing Level will be the closing market level on the Market Day immediately before the relevant date (subject to the Market Disruption Event as defined below).

Regarding sub-Condition (ii) of Expiry Date Closing Level above, if in the Issuer's absolute discretion, the final settlement price for settling the corresponding spot-month index futures contracts scheduled to expire on the scheduled Expiry Date is otherwise unavailable on that date, the Expiry Date will be postponed until such final settlement price for settling the corresponding spot-month index futures contracts is published.

For the Underlying Index which is quoted on a Securities Exchange outside Malaysia, the Closing Level and the Exercise Level may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Exercise Date (i.e. the Market Day on which the Closing Level for Structured Warrants exercised on or prior to the Expiry Date is based) or any Market Day during the Valuation Period shall be referred to as "**Valuation Date**".

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the Closing Level of the Underlying Index for such postponed Valuation Date will be the closing market level of the Underlying Index on the first succeeding Market Day.

“Exercise Level” means in relation to a particular series of Structured Warrants, the Exercise Level is the pre-specified level as determined by the Issuer at which a Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of a material number of shares comprising the Underlying Index or any material constituent security of the Underlying Index or the Structured Warrants, which includes but is not limited to the following events:

- (i) the occurrence or existence on any Market Day at the time by reference to which the Issuer determines the level of the relevant Underlying Index or the prices of the shares constituting the Underlying Index (**“Relevant Time”**) for such Underlying Index or such shares constituting the Underlying Index or at any time during the one hour period that ends at the Relevant Time for such Underlying Index or such shares constituting the Underlying Index:
 - (aa) of any suspension of a limitation imposed on trading such as:
 - (aaa) the suspension or material limitation on the trading of a material number of the shares constituting the Underlying Index;
 - (bbb) the suspension or material limitation on the trading of the shares constituting the Underlying Index on the relevant Securities Exchange;
 - (ccc) the suspension or material limitation on the relevant Securities Exchange on the trading of options contracts or futures contracts relating to the Underlying Index or shares relating to the Underlying Index on which such contracts are traded; or
 - (ddd) the imposition of any exchange controls in respect of any currencies involved in determining the Cash Settlement Amount; or
 - (bb) of any event that disrupts or impairs (as determined by the Issuer) the ability of market participants in general to effect transactions in relation to or to obtain market levels for the Underlying Index or market prices such shares constituting the Underlying Index on the relevant Securities Exchange or to effect transactions in or obtain market quotes for options contracts or futures contracts on or relating to the relevant Underlying Index or such shares constituting the Underlying Index on the relevant Securities Exchange;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) the closure on any Market Day of the relevant Securities Exchange prior to the scheduled closing time unless such earlier closing time is announced by such Securities Exchange or such related Securities Exchange, as the case may be, at least one half hour prior to:
 - (aa) the actual closing time for the regular trading session on such Securities Exchange or such related Securities Exchange on such Market Day; or
 - (bb) the submission deadline (if applicable) for orders to be entered into the Securities Exchange or such related Securities Exchange system for execution on such Market Day,whichever is earlier.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No recourse against Underlying Index Sponsor.* Warrantheolders shall have no claim against the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) for any mistake, error or omission in the calculation or compilation of the Underlying Index. The Issuer shall not be liable to the Warrantheolders for any losses, costs, expenses or charges incurred due to the mistake, error or omission by the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) in the calculation or compilation of the Underlying Index.

3. Tenure, Exercise Period and Expiry Date

- (a) *Tenure.* The tenure of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.
- (b) *Exercise Period.* The Exercise Period shall be the period commencing on the date the Structured Warrants are listed and ending at 9.00 a.m. on the Expiry Date.
- (c) *Expiry Date.* Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any outstanding unexercised Structured Warrants shall be automatically exercised and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Exercise Notice.* Any determination as to whether the Exercise Notice is duly completed and in proper form shall be made by the Warrant Registrar and shall be conclusive and binding on the Warrantheolder. Any Exercise Notice so determined to be incomplete or not in proper form shall be deemed null and void. The Warrant Registrar shall notify the Warrantheolder submitting an Exercise Notice if it has been determined that such Exercise Notice is incomplete or not in proper form by ordinary post to the Warrantheolder's address recorded in the Record of Depositors or the Exercise Notice, at the risk of the Warrantheolder.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (c) *Exercise Date.* The Market Day on which the duly completed Exercise Notice is delivered to the Warrant Registrar and in respect of which there is a valid exercise of Structured Warrants, provided that any Exercise Notice is received by the Warrant Registrar after 12.30 p.m. on any Market Day shall be deemed to have been delivered on the next following Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Exercise Date, the Exercise Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Exercise Date, then Exercise Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference level and/or the exchange rate (if applicable) for the Exercise Date by determining the level of the Underlying Index and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

If the Structured Warrants are not earlier exercised, the Expiry Date of the Structured Warrants shall be deemed to be the Exercise Date in accordance with Condition 4(e) – *Automatic Exercise*.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

- (d) *Mode of Exercise.* The Structured Warrants may be exercised by valid delivery to the Warrant Registrar of an Exercise Notice within its business hours (from 9 a.m. to 5 p.m.) during the Exercise Period. The Warrant Registrar shall acknowledge receipt by stamping the date and time of receipt on the Exercise Notice. Delivery of the Exercise Notice shall constitute an irrevocable election and undertaking by the Warrantholder specified in the Exercise Notice to exercise the number of Structured Warrants specified in the Exercise Notice and an irrevocable authority to the Issuer and the Warrant Registrar to deduct the aggregate Exercise Expenses, if any, from the aggregate Cash Settlement Amount.

Provided always that:

- (i) in every case compliance must also be made with the requirements set out in the Exercise Notice and other prevailing statutory requirements for the time being applicable;
- (ii) the Warrantholder shall, if so required by the Warrant Registrar, furnish such evidence, if any, as the Warrant Registrar or the Issuer's directors may require to determine the due execution of the Exercise Notice by or on behalf of the Warrantholder exercising the same. Once a valid Exercise Notice is duly delivered by the Warrantholder to the Warrant Registrar, the exercise of such exercise rights shall be irrevocable save with the consent of the Issuer's directors; and
- (iii) where the Warrantholder does not comply with the procedures or restrictions or conditions relating to the exercise of Structured Warrants, the Exercise Notice and any documents received shall be returned to such Warrantholder by ordinary post to the Warrantholder's address recorded in the Record of Depositors at the risk of the Warrantholder.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Subject to a valid exercise or Automatic Exercise of Structured Warrants in accordance with Condition 4(e) – *Automatic Exercise* below within three (3) Market Days from the Exercise Date and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Exercise Date or Expiry Date (as the case may be). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantholder, the cheque shall be delivered by ordinary post to the Warrantholder's address last recorded in the Record of Depositors at the Warrantholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (e) *Automatic Exercise.* The Warrantholders are not required to serve any notice of exercise. Exercise of the Structured Warrants shall be determined by the Closing Level of the Underlying Index. If the Closing Level of the Underlying Index is greater than (in the case of a series of call Structured Warrants) or less than (in the case of series of put Structured Warrants) the Exercise Level, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date. In the event the Closing Level of the Underlying Index is less than or equal to (in the case of a series of call Structured Warrants) or greater than or equal to (in the case of series of put Structured Warrants) the Exercise Level, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantholders and the Issuer's obligations with respect to such Structured Warrants shall cease and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (f) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
- (cc) the principal clearing and settlement system of dealing in the Underlying Index being unable to settle payments or is unable to clear transfers of the Underlying Index; or
- (dd) where the Underlying Index is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Index traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warranholder for any interest in respect of the amount due or any loss or damages that such Warranholder may suffer as a result of the existence of a Settlement Disruption Event.

“**Settlement Date**” means a Market Day and a day upon which payment is made to the Warranholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (g) *Notification on Expiry.* The Issuer shall notify the Warranholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months’ tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

Subject to the Conditions, the Underlying Index of the relevant Structured Warrants shall from time to time be adjusted in accordance with the following provisions:

- (a) *Successor for the Underlying Index sponsor calculates and reports Underlying Index.*

If the Underlying Index is:

- (i) not calculated and announced by the Underlying Index Sponsor but is calculated and published by a successor to the Underlying Index Sponsor (“**Successor Underlying Index Sponsor**”) acceptable to the Issuer; or
- (ii) replaced by a successor index using, in the Issuer’s determination, the same or substantially similar formula for and method of calculation as used in the calculation of the Underlying Index,

then the Underlying Index will be deemed to be the index so calculated and announced by the Successor Underlying Index Sponsor or that successor index, as the case may be.

- (b) *Modification and cessation of calculation of Underlying Index. If:*

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) on or prior to the Valuation Date the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the Underlying Index or in any other way materially modifies the Underlying Index (other than modifications prescribed in that formula or method to maintain the Underlying Index in the event of changes in the constituent stocks, contracts or commodities and other routine events); or
- (ii) on a Valuation Date the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor fails to calculate and publish the Underlying Index (other than as a result of a Market Disruption Event) ("**Index Disruption**"),

then the Issuer may determine the Closing Level using, in lieu of a published level for the Underlying Index, the level for the Underlying Index as at that Valuation Date as determined by the Issuer in accordance with the formula for and method of calculating the Underlying Index last in effect prior to that change or failure, but using only those shares/commodities that comprised the Underlying Index immediately prior to that change, modification, cancellation or failure (other than those shares that have since ceased to be listed on the relevant Securities Exchange). Alternatively, the Issuer may determine the Closing Level using the closing level of the corresponding spot-month index futures contract, if available.

- (c) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantheolders generally (without considering the circumstances of any individual Warrantheolder or the tax or other consequences of such adjustment in any particular jurisdictions).
- (d) On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.
- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheolders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warranholders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Level which a Warranholder is entitled to or the formula for the adjustment of the Exercise Level or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (b) Notwithstanding the above, the Issuer may without the consent of the Warrantheolders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
- (i) not materially prejudicial to the interests of the Warrantheolders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warrantheolders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warrantheolders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warrantheolders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warrantheolders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warrantheolders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:

- (i) all unexercised Structured Warrants shall automatically be exercised without the Warrantheolders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warrantheolders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warrantheolder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warrantheolder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
- (ii) the closing level of the Underlying Index on the Market Day immediately before the above events shall form the Closing Level for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warrantheolders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Index for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warrantheolders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantheolder in respect of each Structured Warrant held by such Warrantheolder equal to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Index related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus (“**Further Issue**”) without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue (“**Existing Issue**”).

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(iv) American style non-collateralised cash-settled call/put warrants over an ETF

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheolder, upon due exercise and on compliance with Condition 4 – Exercise below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – Exercise below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency, calculated as follows less Exercise Expenses (as defined below):

For the avoidance of doubt, the Warrantheolders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of Call Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrant holders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying ETF relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

Before the Expiry Date, the “**Closing Price**” shall be determined as follows:

- (i) on a receipt of a valid Exercise Notice before 12.30 p.m. of the Exercise Date being a Market Day which is prior to and including the sixth (6th) Market Day immediately before the Expiry Date, the Closing Price will be based on the closing market price of the Underlying ETF on the Exercise Date; or
- (ii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which is prior to the sixth (6th) Market Day immediately before the Expiry Date, the Closing Price will be based on the closing market price of the Underlying ETF immediately following the Exercise Date; or
- (iii) on a receipt of a valid Exercise Notice on or after 12.30 p.m. of the Exercise Date being a Market Day which falls on the sixth (6th) Market Day immediately before the Expiry Date or at any time during the five (5) Market Days immediately before the Expiry Date, the Closing Price will be based on the Expiry Date Closing Price (as defined below).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

On the Expiry Date, the Closing Price (“**Expiry Date Closing Price**”) will be based on any one of the following:

- (i) the average daily VWAP of the Underlying ETF (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for the five (5) Market Days prior to and including Market Day immediately before the Expiry Date (“**Valuation Period**”); or
- (ii) the average closing price of the Underlying ETF (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing price of the Underlying ETF on the Market Day immediately before the Expiry Date,

as specified by the relevant Term Sheet.

For the Underlying ETF which is quoted on a Securities Exchange outside Malaysia, the Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Exercise Date (i.e. the Market Day on which the Closing Price for Structured Warrants exercised on or prior to the Expiry Date is based) or any Market Day during the Valuation Period shall be referred to as “**Valuation Date**”.

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer’s good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the Closing Price of the Underlying ETF for such postponed Valuation Date will be the closing market price of the Underlying ETF on the first succeeding Market Day.

“**Exercise Price**” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Market Disruption Event**” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying ETF or the Structured Warrants, which includes but is not limited to the following events:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) **“Trading Disruption”**, means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying ETF or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
 - (ii) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
 - (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
 - (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantholders to the delivery of any Underlying ETF, is not secured by the Underlying ETF and does not confer on the Warrantholders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying ETF or otherwise) which a holder of the Underlying ETF may have.

3. Tenure, Exercise Period and Expiry Date

- (a) *Tenure.* The tenure of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.
- (b) *Exercise Period.* The Exercise Period shall be the period commencing on the date the Structured Warrants are listed and ending at 9.00 a.m. on the Expiry Date.
- (c) *Expiry Date.* Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any outstanding unexercised Structured Warrants shall be automatically exercised and cease to be valid and the Issuer’s obligations in respect of the Structured Warrants shall terminate absolutely.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Exercise Notice.* Any determination as to whether the Exercise Notice is duly completed and in proper form shall be made by the Warrant Registrar and shall be conclusive and binding on the Warrantholder. Any Exercise Notice so determined to

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

be incomplete or not in proper form shall be deemed null and void. The Warrant Registrar shall notify the Warrantholder submitting an Exercise Notice if it has been determined that such Exercise Notice is incomplete or not in proper form by ordinary post to the Warrantholder's address recorded in the Record of Depositors or the Exercise Notice, at the risk of the Warrantholder.

- (c) *Exercise Date.* The Market Day on which the duly completed Exercise Notice is delivered to the Warrant Registrar and in respect of which there is a valid exercise of Structured Warrants, provided that any Exercise Notice is received by the Warrant Registrar after 12.30 p.m. on any Market Day shall be deemed to have been delivered on the next following Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Exercise Date, the Exercise Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Exercise Date, then Exercise Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Exercise Date by determining the price of the Underlying ETF and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

If the Structured Warrants are not earlier exercised, the Expiry Date of the Structured Warrants shall be deemed to be the Exercise Date in accordance with Condition 4(e) – *Automatic Exercise*.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

- (d) *Mode of Exercise.* The Structured Warrants may be exercised by valid delivery to the Warrant Registrar of an Exercise Notice within its business hours (from 9 a.m. to 5 p.m.) during the Exercise Period. The Warrant Registrar shall acknowledge receipt by stamping the date and time of receipt on the Exercise Notice. Delivery of the Exercise Notice shall constitute an irrevocable election and undertaking by the Warrantholder specified in the Exercise Notice to exercise the number of Structured Warrants specified in the Exercise Notice and an irrevocable authority to the Issuer and the Warrant Registrar to deduct the aggregate Exercise Expenses, if any, from the aggregate Cash Settlement Amount.

Provided always that:

- (i) in every case compliance must also be made with the requirements set out in the Exercise Notice and other prevailing statutory requirements for the time being applicable;
- (ii) the Warrantholder shall, if so required by the Warrant Registrar, furnish such evidence, if any, as the Warrant Registrar or the Issuer's directors may require to determine the due execution of the Exercise Notice by or on behalf of the Warrantholder exercising the same. Once a valid Exercise Notice is duly delivered by the Warrantholder to the Warrant Registrar, the exercise of such exercise rights shall be irrevocable save with the consent of the Issuer's directors; and

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (iii) where the Warranholder does not comply with the procedures or restrictions or conditions relating to the exercise of Structured Warrants, the Exercise Notice and any documents received shall be returned to such Warranholder by ordinary post to the Warranholder's address recorded in the Record of Depositors at the risk of the Warranholder.

Subject to a valid exercise or Automatic Exercise of Structured Warrants in accordance with Condition 4(e) – *Automatic Exercise* below within three (3) Market Days from the Exercise Date and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warranholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warranholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Exercise Date or Expiry Date (as the case may be). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warranholder, the cheque shall be delivered by ordinary post to the Warranholder's address last recorded in the Record of Depositors at the Warranholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warranholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (e) *Automatic Exercise.* The Warranholders are not required to serve any notice of exercise. If the Cash Settlement Amount is greater than zero, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warranholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (f) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
- (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
- (cc) the principal clearing and settlement system of dealing in the Underlying ETF being unable to settle payments or is unable to clear transfers of the Underlying ETF; or
- (dd) where the Underlying ETF is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying ETF traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

“Settlement Date” means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (g) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by the manager or trustee of the Underlying ETF of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying ETF and, if so, the Issuer will:
 - (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange on which the relevant Underlying ETF are also listed and quoted, unless otherwise specified by the Issuer.

“Potential Adjustment Event” include any of the following:

- (i) a subdivision or consolidation of the Underlying ETF (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying ETF to existing holders by way of bonus, capitalisation or similar issue;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) a rights issue or bonus issue of the Underlying ETF; or
 - (iii) a special distribution payment in cash of the Underlying ETF;
 - (iv) any other event which may have, in the Issuer's opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying ETF.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:

(i) *Subdivisions or Consolidations.* If and whenever the Underlying ETF shall subdivide its units into a greater number of units ("**Subdivision**") or consolidate the units or any class of its outstanding units into a smaller number of units ("**Consolidation**"), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \quad x \quad \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(ii) *Rights Issue.* If and whenever the Underlying ETF shall, by way of Rights (as defined below), offer new units for subscription at a fixed subscription price to the holders of existing Underlying ETF pro rata to existing holdings ("**Rights**")

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Issue”), Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the Underlying ETF would qualify for the Rights Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

S: Cum-rights units determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying ETF is traded on a cum-rights basis.

R: Subscription price per Underlying ETF as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.

M: Number of new Underlying ETF (whether a whole or a fraction) per existing unit each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“Rights” means the Right(s) attached to each existing Underlying ETF or needed to acquire one new Underlying ETF (as the case may be) which are given to the holders of existing Underlying ETF to subscribe at a fixed subscription price for new Underlying ETF pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights);

- (iii) *Bonus issue.* If and whenever the Underlying ETF shall make a new issue of units credited as fully paid to the holders of the Underlying ETF generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying ETF

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the Underlying ETF would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying ETF (whether a whole or a fraction) received by a holder of existing Underlying ETF for each Underlying ETF held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Distribution Payment.* If the Underlying ETF of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Underlying ETF to qualify for the special distribution payment by the amount of the special distribution payment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E \quad X \quad (P-D)}{P}$$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying ETF on the last Market Day on which the Underlying ETF are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying ETF held.

Y: Existing Exercise Price immediately prior to the special distribution payment.

E: Existing Exercise Ratio immediately prior to the special dividend payment.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the effect of the special distribution payment.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(c) *Extraordinary Events.* If a Merger Event, De-Listing, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying ETF, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, De-Listing, or Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, De-Listing, Insolvency or such other additional disruption event, made by the Securities Exchange;

(ii) cancel the Structured Warrants by giving notice to the Warrantholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warrantholder which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, De-Listing, or Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9 – *Notices*; or

(iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, De-Listing, or Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, De-Listing, or Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, De-Listing, or Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying ETF ceases (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Underlying ETF:

- (1) all the ETF Units are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying ETF become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means if it is announced that there may or will be a merger or consolidation of the Underlying ETF into any other fund, other collective investment scheme or otherwise or that all or substantially all of its assets are or may be sold or transferred.

“Option Reference Source” means the options on the relevant Underlying ETF as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

- (d) *Termination or Liquidation of Trustee.* In the event of a termination or the liquidation or dissolution of the trustee of the Underlying ETF (including any successor trustee appointed from time to time) (**“Trustee”**) (in its capacity as trustee of the Underlying

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

ETF) or the appointment of a liquidator, receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee's undertaking, property or assets, all unexercised Structured Warrants will lapse and shall cease to be valid for any purpose. In the case of a termination, where a new Trustee is not appointed in replacement thereof, the unexercised Structured Warrants will lapse and shall cease to be valid on the effective date of the termination, in the case of a voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator or receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee's undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law.

- (e) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, including, without limitation:
- (i) the payment of income distribution or ETF Units (as the case may be) by the Underlying ETF; or
 - (ii) in-kind creation of ETF Units; or
 - (iii) in-kind redemption of ETF Units.

However, the Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantheolders generally (without considering the circumstances of any individual Warrantheolder or the tax or other consequences of such adjustment in any particular jurisdictions).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (f) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheolders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity as a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheholders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warrantheholders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warrantheholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warrantheholders.

Any resolutions to be passed in a meeting of the Warrantheholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warrantheholders of each series of Structured Warrants; or
- (b) at least five (5) Warrantheholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warrantheholders.

The quorum at any such Warrantheholders' meeting for passing an Ordinary Resolution will be two (2) or more Warrantheholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warrantheholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warrantheholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warrantheholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warrantheholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warrantheholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warrantheholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warrantheholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) not materially prejudicial to the interests of the Warranholders; or
- (ii) of a formal, minor or technical nature; or
- (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
- (i) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
- (ii) the closing price of the Underlying ETF on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying ETF for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warrant holder equal to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370)* (revised 2002) of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(v) European style non-collateralised cash-settled call/put warrants over a single equity

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheolder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and, calculated as follows less Exercise Expenses:

For the avoidance of doubt, the Warrantheolder shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of Call Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantheolders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying Share relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Closing Price**” will be based on any one of the following:

- (i) the average daily VWAP of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for five (5) Market Days prior to and including Market Day immediately before the Expiry Date (“**Valuation Period**”); or
- (ii) the average closing price of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing price of the Underlying Shares on the Market Day immediately before the Expiry Date,

and as specified in the relevant Term Sheet and subject to the Market Disruption Event and other provisions herein.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

If the Expiry Date falls within the Take-Over Offer period or the compulsory acquisition period, the Expiry Date Closing Price shall be the announced price for the Take-Over Offer or the compulsory acquisition, as the case may be.

If the Expiry Date falls on a Market Day when the Underlying Shares is suspended from trading as a result of the Take-Over Offer or the compulsory acquisition, the Expiry Date Closing Price shall be the announced price for the Take-Over Offer or the compulsory acquisition, as the case may be.

For the avoidance of doubt, in the event the Underlying Shares is delisted, the Expiry Date Closing Price shall, at the Issuer's discretion be the last quoted price of the Underlying Shares immediately before De-Listing or determined in accordance with the Expiry Date Closing Price (as defined above), as the case may be, and the Issuer shall not be obliged to make any adjustment to the Exercise Price.

If the Underlying Shares is suspended from trading for any reason other than the above or a public holiday unexpected by the Issuer occurs on any of the five (5) Market Days of the Valuation Period applicable shall be as determined by the Issuer in its absolute discretion.

For the Underlying Shares which are quoted on a Securities Exchange outside Malaysia, the Closing Price and the Exercise Price may be quoted in currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Expiry Date or any Market Day during the Valuation Period shall be referred to as "**Valuation Date**".

If the Issuer determines, in its sole discretion, that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the Closing Price of the Underlying Shares for such postponed Valuation Date will be the closing market price of the Underlying Shares on the first succeeding Market Day.

"**Exercise Price**" means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying Shares or the Structured Warrants, which includes but is not limited to the following events:

- (ii) **“Trading Disruption”** means:
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying Shares or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
 - (iii) **“Exchange Disruption”** means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
 - (iv) **“Early Closure”** means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantholders to the delivery of any Underlying Shares, is not secured by the Underlying Shares and does not confer on the Warrantholders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Shares or otherwise) which a holder of the Underlying Shares may have.

3. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrant which has not been automatically exercised in accordance to Condition 4(c) – *Automatic Exercise* below shall expire and all rights of the Warrantholders and the Issuer’s obligations with respect to such Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer’s absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Expiry Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

- (b) *Mode of Exercise.* In respect of the Structured Warrants which are automatically exercised in accordance with Condition 4(c) – *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and as determined by the Issuer no later than seven (7) Market Days following the Expiry Date. In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantholder, the cheque shall be delivered by ordinary post to the Warrantholder's address last recorded in the Record of Depositors at the Warrantholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warranholders are not required to serve any notice of exercise. All Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warranholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"**Settlement Disruption Event**" refers to the occurrence of any one of the following events:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the Underlying Shares being unable to settle payments or is unable to clear transfers of the Underlying Shares; or
 - (dd) where the relevant Underlying Shares are denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Shares traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

"Settlement Date" means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (e) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by an Underlying Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying Share and, if so, the Issuer will:
 - (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange as determined by the Issuer on which the shares constituting the Underlying Shares are listed and quoted, unless otherwise specified by the Issuer.

“**Potential Adjustment Event**” include any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Shares (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a call by the Underlying Company in respect of relevant Underlying Shares that are not fully paid;
 - (iii) a repurchase or buy-back by the Underlying Company of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (iv) a rights issue or bonus issue of the Underlying Shares;
 - (v) a capital repayment in cash whether in the form of special dividend or otherwise pursuant to the Act; or
 - (vi) any other event which may have, in the Issuer’s opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying Shares.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever the Underlying Company shall subdivide its Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a greater number of shares (“**Subdivision**”) or consolidate the Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a smaller number of shares (“**Consolidation**”), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \quad x \quad \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- N: The revised number of issued shares after the Subdivision or Consolidation.
- P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.
- E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (ii) *Rights Issue.* If and whenever the Underlying Company shall, by way of Rights (as defined below), offer new shares for subscription at a fixed subscription price to the holders of existing Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

- E: Existing Exercise Ratio immediately prior to the Rights Issue.
- X: Existing Exercise Price immediately prior to the Rights Issue.
- S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying Shares are traded on a cum-rights basis.
- R: Subscription price per Underlying Shares as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.
- M: Number of new Underlying Shares (whether a whole or a fraction) per existing Underlying Share each holder thereof is entitled to subscribe.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing Underlying Share or needed to acquire one new Underlying Share (as the case may be) which are given to the holders of existing Underlying Shares to subscribe at a fixed subscription price for new Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue*. If and whenever the Underlying Company shall make a new issue of shares credited as fully paid to the holders of the Underlying Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying Company or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$
$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying Shares (whether a whole or a fraction) received by a holder of existing Underlying Shares for each Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Capital Repayment.* If the Underlying Company of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

- (i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

- (ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying Shares on the last Market Day on which the Underlying Shares are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying Share held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the capital repayment/special dividend.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Notwithstanding the above, if a capital repayment undertaken by the relevant Underlying Company results in a significant change in the business of such Underlying Company or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranthead in respect of each Structured Warrant held by such Warranthead if the Cash Settlement Amount after deducting all Exercise Expenses, is greater than zero (without the Warranthead having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

- (c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying Shares, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;
 - (ii) cancel the Structured Warrants by giving notice to the Warrantheads in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warrantheads which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantheads in accordance with Condition 9 – *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warrantheads in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

to be taken in relation thereto. Warrantholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-Over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an Underlying Company:

- (1) all the Underlying Shares of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying Shares of that Underlying Company become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of such Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of an Underlying Company with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of arrangement or otherwise in which such Underlying Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Shares outstanding); or
- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding Underlying Shares of the Underlying Company that results in a transfer or an irrevocable commitment to transfer all such Underlying Shares (other than such Underlying Shares owned or controlled by such other entity or person); or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (4) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding, results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than fifty percent (50%) of the outstanding Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

“Nationalisation” means that all the Underlying Shares or all or substantially all of the assets of a Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“Option Reference Source” means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

“Take-Over Offer” means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent (100%) of the outstanding voting shares of the Underlying Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deem relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer’s sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and the its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warranholders generally (without considering the circumstances of any individual Warranholder or the tax or other consequences of such adjustment in any particular jurisdictions).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheolders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warrantheolders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warrantheolders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warrantheolders.

Any resolutions to be passed in a meeting of the Warrantheolders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warrantheolders of each series of Structured Warrants; or
- (b) at least five (5) Warrantheolders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warrantheolders.

The quorum at any such Warrantheolders' meeting for passing an Ordinary Resolution will be two (2) or more Warrantheolders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warrantheolders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warrantheolders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warrantheolders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warrantheolders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warrantheolder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.

- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
- (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
 - (ii) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
- (i) all unexercised Structured Warrants shall automatically be exercised without the Warrantheolders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warrantheolders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warrantheolder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warrantheolder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing price of the Underlying Shares on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warrantheolders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares for any reason, the Issuer may at its sole and absolute discretion and without obligation terminate the Structured Warrants early by giving notice to the Warrantheolders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantheolder in respect of each Structured Warrant held by

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

such Warrantholder equals to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warrantholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warrantholder and such Warrantholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warrantholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(vi) European style non-collateralised cash-settled call/put warrants over a basket of equities

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (c) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (d) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (e) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheolder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and, calculated as follows less Exercise Expenses:

For the avoidance of doubt, the Warrantheolders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of Call Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Basket Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Basket Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Basket Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantholders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) basket of Underlying Shares relate, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Basket Closing Price**” shall be adjusted for relevant weighting of the Underlying Shares determined as follows:

- (i) the average daily VWAP of the Underlying Shares comprising the basket (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for five (5) Market Days prior to and including Market Day immediately before the Expiry Date (“**Valuation Period**”); or
- (ii) the average closing prices of the Underlying Shares comprising the basket (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing prices of the Underlying Shares comprising the basket on the Market Day immediately before the Expiry Date,

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

as specified by the relevant Term Sheet.

For the Underlying Shares comprising the basket which are quoted on a Securities Exchanges outside Malaysia, the Basket Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Expiry Date or any Market Day during the Valuation Period shall be referred to as "**Valuation Date**".

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the closing prices of the relevant Underlying Shares comprising the basket for such postponed Valuation Date will be the closing market prices of the relevant Underlying Shares comprising the basket on the first succeeding Market Day.

"**Exercise Price**" means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

"**Market Disruption Event**" means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the relevant Underlying Shares comprising the basket or the Structured Warrants, which includes but is not limited to the following events:

- (i) "**Trading Disruption**", means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the relevant Underlying Shares or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

- (ii) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
- (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantheolders to the delivery of any of the relevant Underlying Shares comprising the basket, is not secured by the relevant Underlying Shares comprising the basket and does not confer on the Warrantheolders any right (whether in respect of voting, dividend or other distributions in respect of the relevant Underlying Shares comprising the basket or otherwise) which a holder of the relevant Underlying Shares comprising the basket may have.

3. Tenure and Expiry Date

The tenure of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrant to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrants which has not been automatically exercised in accordance with Condition 4(c) – *Automatic Exercise* below shall expire and all rights of the Warrantheolders and the Issuer’s obligations with respect to such Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer’s absolute discretion, there is a Market Disruption Event occurring on one or more of the Underlying Companies comprising the basket on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Exercise Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Expiry Date by determining the price of the relevant Underlying Shares comprising the basket and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (b) *Mode of Exercise.* In respect of the Structured Warrants which are automatically exercised in accordance with Condition 4 (c) - *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Expiry Date. In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantholder, the cheque shall be delivered by ordinary post to the Warrantholder's address last recorded in the Record of Depositors at the Warrantholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warrantholders are not required to serve any notice of exercise. All Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the Underlying Shares comprising the basket being unable to settle

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

payments or is unable to clear transfers of the relevant Underlying Shares; or

- (dd) where the Underlying Shares comprising the basket are denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the relevant Underlying Shares traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

“Settlement Date” means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (e) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by any one or more of the Underlying Companies of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the relevant Underlying Shares and, if so, the Issuer will:
- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
- (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange as determined by the Issuer on which the shares constituting the relevant Underlying Shares are listed and quoted, unless otherwise specified by the Issuer.

“Potential Adjustment Event” include any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of the relevant Underlying Shares (unless a Merger Event (as defined below)) or a free distribution or dividend of such relevant Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (ii) a call by one or more of the Underlying Companies in respect of relevant Underlying Shares that are not fully paid;
 - (iii) a repurchase or buy-back by one or more of the Underlying Companies of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
 - (iv) a rights issue or bonus issue of one or more of the relevant Underlying Shares;
 - (v) a capital repayment in cash whether in the form of special dividend or otherwise pursuant to the Act by one or more of the Underlying Companies of relevant Underlying Shares; or
 - (vi) any other event which may have, in the Issuer's opinion a dilutive or concentrative or other effect on the theoretical value of one or more of the relevant Underlying Shares.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever any one or more of the Underlying Companies shall subdivide the relevant Underlying Shares or any class of its outstanding share capital comprised of the relevant Underlying Shares into a greater number of shares ("**Subdivision**") or consolidate the relevant Underlying Shares or any class of its outstanding share capital comprised of the relevant Underlying Shares into a smaller number of shares ("**Consolidation**"), then, Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \times \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \times \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (ii) *Rights Issue.* If and whenever any one or more of the relevant Underlying Companies shall, by way of Rights (as defined below), offer new shares for subscription at a fixed subscription price to the holders of existing relevant Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the relevant Underlying Shares are traded on a cum-rights basis.

R: Subscription price per relevant Underlying Share as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.

M: Number of new relevant Underlying Shares (whether a whole or a fraction) per existing relevant Underlying Share each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing relevant Underlying Share or needed to acquire one new relevant Underlying Share (as the case may be) which are given to the holders of existing relevant Underlying Shares to subscribe at a fixed subscription price for new relevant Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue.* If and whenever any one or more of the relevant Underlying Companies shall make a new issue of shares credited as fully paid to the holders of the relevant Underlying Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by such relevant Underlying Companies or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$\text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional relevant Underlying Shares (whether a whole or a fraction) received by a holder of existing relevant Underlying Shares for each relevant Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Capital Repayment.* If any one or more of the Underlying Companies of the relevant Structured Warrants undertakes a capital repayment in cash whether

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the relevant Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the relevant Underlying Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

(ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the relevant Underlying Shares on the last Market Day on which the relevant Underlying Shares are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying Share held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the capital repayment/special dividend.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

Notwithstanding the above, if a capital repayment undertaken by one or more of the relevant Underlying Companies results in a significant change in the business of such Underlying Companies or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Structured Warrant held by such Warrantholder if the Cash Settlement Amount after deducting all

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Exercise Expenses, is greater than zero (without the Warrantholder having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

- (c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to any one or more of the Underlying Companies of the relevant Underlying Shares, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;
 - (ii) cancel the Structured Warrants by giving notice to the Warrantholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warrantholders which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any of the relevant Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 9 – *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warrantholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warrantholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such relevant Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-Over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting one or more of the relevant Underlying Companies:

- (1) all the relevant Underlying Shares of that relevant Underlying Companies are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the relevant Underlying Shares of that relevant Underlying Companies become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of any one or more of the relevant Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such relevant Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of any one or more of the relevant Underlying Companies with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of arrangement or otherwise in which such Underlying Companies is the continuing entity and which does not result in reclassification or change of all of such relevant Underlying Shares outstanding); or
- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding relevant Underlying Shares of any one or more of the relevant Underlying Companies that results in a transfer or an irrevocable commitment to transfer all such relevant Underlying Shares (other than such relevant Underlying Shares owned or controlled by such other entity or person); or
- (4) consolidation, amalgamation, merger or binding share exchange of any one or more of the relevant Underlying Companies or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the relevant Underlying Companies are the continuing entity and which does not result in a reclassification or change of all such relevant Underlying Shares outstanding, results in the outstanding relevant Underlying Shares (other than relevant Underlying Shares owned or controlled by such other entity)

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

immediately prior to such event collectively representing less than fifty percent (50%) of the outstanding relevant Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

"Nationalisation" means that in respect of any one or more of the Underlying Companies, all the relevant Underlying Shares, or all or substantially all of the assets of the relevant Underlying Companies are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"Option Reference Source" means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

"Take-Over Offer" means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent (100%) of the outstanding voting shares of any one or more of the relevant Underlying Companies, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deem relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warranholders generally (without considering the circumstances of any individual Warranholder or the tax or other consequences of such adjustment in any particular jurisdictions).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity as fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warranholders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than 50 percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five 75 percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8 Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.

- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
- (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
 - (iii) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time. A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:

- (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
- (ii) the closing prices of Underlying Shares comprising the basket on the Market Day immediately before the above events shall form the Basket Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares comprising the basket for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder equals to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares comprising the basket related

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warranholders, to create and issue Structured Warrants so as to form a single series with the previous series of the Structured Warrants.

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(vii) European style non-collateralised cash-settled call/put warrants over a single index

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheolder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency, calculated as follows less Exercise Expenses:

For the avoidance of doubt, the Warrantheolders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In the case of Call Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Level} - \text{Exercise Level}) \times \text{Index Currency Amount} \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Level} - \text{Closing Level}) \times \text{Index Currency Amount} \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Level and the Exercise Level (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer at the Issuer's absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantheolders.

“**Index Currency Amount**” means the amount of unit currency relating to one (1) integral point of the Underlying Index, as specified in the relevant Term Sheet.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying Index relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Closing Level**” in relation to the Underlying Index, on the Expiry Date, shall be determined as follows:

- (i) the closing level of the Underlying Index on the Market Day immediately before the Expiry Date; or
- (ii) the final settlement price for settling the corresponding spot month index futures contract on the Expiry Date; or
- (iii) the average closing levels of the Underlying Index for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date (“**Valuation Period**”),

and as specified in the relevant Term Sheet and subject to the Market Disruption Event and other provisions herein.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

If on the relevant date the Underlying Index Sponsor has not published the Underlying Index for the purpose of calculating the Closing Level, the Closing Level will be the closing market level on the Market Day immediately before the relevant date (subject to the Market Disruption Event as defined below).

Regarding sub-Condition (ii) of Closing Level above, if in the Issuer's absolute discretion, the final settlement price for settling the corresponding spot-month index futures contracts scheduled to expire on the scheduled Expiry Date is otherwise unavailable on that date, the Expiry Date will be postponed until such final settlement price for settling the corresponding spot-month index futures contracts is published.

For the Underlying Index which is quoted on a Securities Exchange outside Malaysia, the Closing Level and the Exercise Level may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Expiry Date or any Market Day during the Valuation Period shall be referred to as "**Valuation Date**".

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the Closing Level of the Underlying Index for such postponed Valuation Date will be the closing market level of the Underlying Index on the first succeeding Market Day.

"Exercise Level" means in relation to a particular series of Structured Warrants, the Exercise Level is the pre-specified level as determined by the Issuer at which a Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

"Market Disruption Event" means the occurrence or existence of an event where it is not possible to obtain market prices in respect of a material number of shares comprising the Underlying Index or any material constituent security of the Underlying Index or the Structured Warrants, which includes but is not limited to the following events:

- (i) the occurrence or existence on any Market Day at the time by reference to which the Issuer determines the level of the relevant Underlying Index or the prices of the shares constituting the Underlying Index ("**Relevant Time**") for such Underlying Index or such shares constituting the Underlying Index or at

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

any time during the one hour period that ends at the Relevant Time for such Underlying Index or such shares constituting the Underlying Index:

(bb) of any suspension of a limitation imposed on trading such as:

(aaa) the suspension or material limitation on the trading of a material number of the shares constituting the Underlying Index;

(bbb) the suspension or material limitation on the trading of the shares constituting the Underlying Index on the relevant Securities Exchange;

(ccc) the suspension or material limitation on relevant Securities Exchange on the trading of options contracts or futures contracts relating to the Underlying Index or shares relating to the Underlying Index on which such contracts are traded; or

(ddd) the imposition of any exchange controls in respect of any currencies involved in determining the Cash Settlement Amount; or

(bb) of any event that disrupts or impairs (as determined by the Issuer) the ability of market participants in general to effect transactions in relation to or to obtain market levels for the Underlying Index or market prices such shares constituting the Underlying Index on the relevant Securities Exchange or to effect transactions in or obtain market quotes for options contracts or futures contracts on or relating to the relevant Underlying Index or such shares constituting the Underlying Index on the relevant Securities Exchange;

(ii) the closure on any Market Day of the relevant Securities Exchange prior to the scheduled closing time unless such earlier closing time is announced by such Securities Exchange or such related Securities Exchange, as the case may be, at least one half hour prior to:

(aa) the actual closing time for the regular trading session on such Securities Exchange or such related Securities Exchange on such Market Day; or

(bb) the submission deadline (if applicable) for orders to be entered into the Securities Exchange or such related Securities Exchange system for execution on such Market Day,

whichever is earlier.

(b) *Exercise Expenses.* Any charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants are to be borne by the Warrantholder. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost ("**Exercise Expenses**"). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

- (c) *No recourse against Underlying Index Sponsor.* Warranholders have no claim against the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) for any mistake, error or omission in the calculation or compilation of the Underlying Index. The Issuer shall not be liable to the Warranholders for any losses, costs, expenses or charges incurred due to the mistake, error or omission by the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) in the calculation or compilation of the Underlying Index.

3. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrants which has not been automatically exercised in accordance with Condition 4(c) – *Automatic Exercise* below shall expire and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference level and/or the exchange rate (if applicable) for the Expiry Date by determining the level of the Underlying Index and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Mode of Exercise.* In respect of the Structured Warrants which are automatically exercised in accordance with Condition 4(c) – *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warranholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warranholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Expiry Date. In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warranholder, the cheque shall be delivered by ordinary post to the Warranholder's address last recorded in the Record of Depositors at the Warranholder's own risk.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warrantholders are not required to serve any notice of exercise. All Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption Event.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the Underlying Index being unable to settle payments or is unable to clear transfers of the Underlying Index; or
 - (dd) where the Underlying Index is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Index traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

- (e) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

Subject to the Conditions, the Underlying Index of the relevant Structured Warrants shall from time to time be adjusted in accordance with the following provisions:

- (a) *Successor for the Underlying Index sponsor calculates and reports Underlying Index.*

If the Underlying Index is:

- (i) not calculated and announced by the Underlying Index Sponsor but is calculated and published by a successor to the Underlying Index Sponsor ("**Successor Underlying Index Sponsor**") acceptable to the Issuer; or
- (ii) replaced by a successor index using, in the Issuer's determination, the same or substantially similar formula for and method of calculation as used in the calculation of the Underlying Index,

then the Underlying Index will be deemed to be the index so calculated and announced by the Successor Underlying Index Sponsor or that successor index, as the case may be.

- (b) *Modification and cessation of calculation of Underlying Index. If:*

- (i) on or prior to the Valuation Date the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the Underlying Index or in any other way materially modifies the Underlying Index (other than modifications prescribed in that formula or method to maintain the Underlying Index in the event of changes in the constituent stocks, contracts or commodities and other routine events); or
- (ii) on a Valuation Date the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor fails to calculate and publish the Underlying Index (other than as a result of a Market Disruption Event) ("**Index Disruption**"),

then the Issuer may determine the Closing Level using, in lieu of a published level for the Underlying Index, the level for the Underlying Index as at that Valuation Date as determined by the Issuer in accordance with the formula for and method of calculating the Underlying Index last in effect prior to that change, modification, cancellation or failure, but using only those shares/commodities that comprised the Underlying Index immediately prior to that change or failure (other than those shares that have since ceased to be listed on the relevant Securities Exchange). Alternatively, the Issuer may determine the reference level using the closing level of the corresponding spot-month index futures contract, if available.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (c) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantheolders generally (without considering the circumstances of any individual Warrantheolder or the tax or other consequences of such adjustment in any particular jurisdiction).
- (d) On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.
- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheolders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made.

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity as fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheolders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warrantheolders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warrantheolders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warrantheolders.

Any resolutions to be passed in a meeting of the Warrantheolders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warrantheolders of each series of Structured Warrants; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
- (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing level of the Underlying Index on the Market Day immediately before the above events shall form the Closing Level for the calculation of the Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Index for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder equals to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Index related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370)* (revised 2002) of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(viii) European style non-collateralised cash-settled call/put warrants over an ETF

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 12 – *Further Issues* below). Warranholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warranholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warranholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warranholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warranholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warranholders are not entitled to any physical warrant certificates.

2. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warranholder, upon due exercise and on compliance with Condition 4 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4 – *Exercise* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency and, calculated as follows less Exercise Expenses:

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

In the case of Call Warrants:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Price} - \text{Exercise Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of Put Warrants:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Closing Price}) \times \text{Settlement Exchange Rate (if applicable)} - \text{Exercise Expenses}$$

In the case of the Closing Price and the Exercise Price (as defined below) being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer, at its absolute discretion by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantholders.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying ETF relates, subject to any adjustment as may be necessary in accordance with the adjustment conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Closing Price**” shall be determined as follows:

- (i) the average daily VWAP of the Underlying ETF (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for five (5) Market Days prior to and including Market Day immediately before the Expiry Date (“**Valuation Period**”); or
- (ii) the average closing price of the Underlying ETF (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (iii) the closing price of the Underlying ETF on the Market Day immediately before the Expiry Date,

and as specified in the relevant Term Sheet and subject to the Market Disruption Event and other provisions herein.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

For the Underlying ETF which is quoted on a Securities Exchange outside Malaysia, the Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

For the purpose of this section, the Expiry Date or any Market Day during the Valuation Period shall be referred to as “**Valuation Date**”.

If the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event (as defined below) has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer’s good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

For the avoidance of doubt, in the event that a Valuation Date is postponed due to the occurrence of a Market Disruption Event, the Closing Price of the Underlying ETF for such postponed Valuation Date will be the closing market price of the Underlying ETF on the first succeeding Market Day.

“**Exercise Price**” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 5 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Market Disruption Event**” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying ETF or the Structured Warrants, which includes but is not limited to the following events:

- (i) “**Trading Disruption**”, means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying ETF or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
- (ii) “**Exchange Disruption**”, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantholders to the delivery of any Underlying ETF, is not secured by the Underlying ETF and does not confer on the Warrantholders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying ETF or otherwise) which a holder of the Underlying ETF may have.

3. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants shall not be earlier than six (6) months and not later than five (5) years from the date of its issue and shall be specified in the Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrant which has not been automatically exercised in accordance to Condition 4(c) – *Automatic Exercise* below shall expire and all rights of the Warrantholders and the Issuer’s obligations with respect to such Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer’s absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of the Issuer’s good faith estimate the reference price and/or the exchange rate (if applicable) for the Expiry Date by determining the price of the Underlying ETF and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 5 – *Adjustments*.

4. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Mode of Exercise.* In respect of the Structured Warrants which are automatically exercised in accordance with Condition 4(c) - *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event (as defined below), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the Expiry Date. In the event the Cash Settlement

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Amount is paid by cheque drawn in favour of the Warranholder, the cheque shall be delivered by ordinary post to the Warranholder's address last recorded in the Record of Depositors at the Warranholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warranholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warranholders are not required to serve any notice of exercise. All Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrants shall cease and the Warranholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event.

"**Settlement Disruption Event**" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the Underlying ETF being unable to settle payments or is unable to clear transfers of the Underlying ETF; or
 - (dd) where the Underlying ETF is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying ETF traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date (as defined below), the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantholder for any interest in respect of the amount due or any loss or damages that such Warrantholder may suffer as a result of the existence of a Settlement Disruption Event.

“**Settlement Date**” means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

- (e) *Notification on Expiry.* The Issuer shall notify the Warrantholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months’ tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

5. Adjustments

- (a) Following the declaration by the manager or trustee of the Underlying ETF of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying ETF and, if so, the Issuer will:
- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such a Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange on which the relevant Underlying ETF are also listed and quoted, unless otherwise specified by the Issuer.

“**Potential Adjustment Event**” include any of the following:

- (i) a subdivision or consolidation of the Underlying ETF (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying ETF to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a rights issue or bonus issue of the Underlying ETF; or
 - (iii) a special distribution payment in cash of the Underlying ETF; or
 - (iv) any other event which may have, in the Issuer’s opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying ETF.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever the Underlying ETF shall subdivide its ETF Units or any class of its ETF Units into a greater number of units (“**Subdivision**”) or consolidate the ETF Units or any class of its

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

outstanding ETF Units into a smaller number of units (“**Consolidation**”), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \quad x \quad \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(ii) *Rights Issue.* If and whenever the Underlying ETF shall, by way of Rights (as defined below), offer new units for subscription at a fixed subscription price to the holders of existing Underlying ETF pro rata to existing holdings (“**Rights Issue**”), the Exercise Ratio and/or the Exercise Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the Underlying ETF would qualify for the Rights Issue in accordance with the following formulas:

(i) **Adjusted Exercise Ratio =** $\frac{E}{\text{Adjustment Factor}}$

(ii) **Adjusted Exercise Price =** $\frac{X}{\text{Adjustment Factor}}$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

- E: Existing Exercise Ratio immediately prior to the Rights Issue.
- X: Existing Exercise Price immediately prior to the Rights Issue.
- S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying ETF is traded on a cum-rights basis.
- R: Subscription price per Underlying ETF as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.
- M: Number of new Underlying ETF (whether a whole or a fraction) per existing Underlying ETF each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing Underlying ETF or needed to acquire one new Underlying ETF (as the case may be) which are given to the holder of existing Underlying ETF to subscribe at a fixed subscription price for new Underlying ETF pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights);

- (iii) *Bonus Issue.* If and whenever the Underlying ETF shall make a new issue of shares credited as fully paid to the holders of the Underlying ETF generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying ETF or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Exercise Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the Underlying ETF would qualify for the Bonus Issue in accordance with the following formulas:

(i) **Adjusted Exercise Ratio** = $\frac{E}{\text{Adjustment Factor}}$

(ii) **Adjusted Exercise Price** = $\frac{X}{\text{Adjustment Factor}}$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying ETF (whether a whole or a fraction) received by a holder of existing Underlying ETF for each Underlying ETF held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Distribution Payment.* If the Underlying ETF of the relevant Structured Warrants undertake a capital distribution in cash whether in the form of special dividend or otherwise during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Underlying ETF to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

- (i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

- (ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying ETF on the last Market Day on which the Underlying ETF is traded on a cum-entitlement basis

D: The special distribution amount per one (1) Underlying ETF held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

E: Existing Exercise Ratio immediately prior to the special distribution payment.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the special distribution payment.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (c) *Extraordinary Events.* If a Merger Event, De-Listing, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying ETF, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, De-Listing, Insolvency or such other additional disruption event, made by the Securities Exchange;
 - (ii) cancel the Structured Warrants by giving notice to the Warranholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warranholder which amount shall be the fair market value of the Structured Warrants (as determined by the Issuer) taking into account the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, De-Listing, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, De-Listing, Insolvency or such other additional disruption event.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying ETF ceases (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Underlying ETF:

- (1) all the ETF Units are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying ETF become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means if it is announced that there may or will be a merger or consolidation of the Underlying ETF into any other fund, other collective investment scheme or otherwise or that all or substantially all of its assets are or may be sold or transferred.

“Option Reference Source” means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

- (d) *Termination or Liquidation of Trustee.* In the event of a termination or the liquidation or dissolution of the trustee of the Underlying ETF (including any successor trustee appointed from time to time) (“**Trustee**”) (in its capacity as trustee of the Underlying ETF) or the appointment of a liquidator, receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee’s undertaking, property or assets, all unexercised Structured Warrants will lapse and shall cease to be valid for any purpose. In the case of a termination, where a replacement Trustee is not appointed, the unexercised Structured Warrants will lapse and shall cease to be valid on the effective date of the termination, in the case of a voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator or receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee’s undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law.
- (e) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, including, without limitation:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) the payment of income distribution or ETF Units (as the case may be) by the Underlying ETF; or
- (ii) in-kind creation of ETF Units; or
- (iii) in-kind redemption of ETF Units.

However, the Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Structured Warrants and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warranholders generally (without considering the circumstances of any individual Warranholder or the tax or other consequences of such adjustment in any particular jurisdiction).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warranholders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting right with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

7. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll. The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

9. Notices

All notices to the Warrantheolders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warrantheolders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warrantheolders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warrantheolders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warrantheolders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warrantheolders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warrantheolder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warrantheolder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing price of the Underlying ETF on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying ETF for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder equals to the fair market value of a Structured Warrant (as determined by the Issuer) notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370)* (revised 2002) of Malaysia.

14. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL *(Cont'd)*

Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(ix) European style non-collateralised cash-settled CBBCs over a single equity

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued by the Issuer in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 14 – *Further Issues* below). Warranholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warranholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warranholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warranholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warranholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warranholders are not entitled to any physical warrant certificates.

2. Definitions

In these Conditions, unless the context requires otherwise or unless otherwise defined:

“**Call Price**” means the pre-specified price of the Underlying Shares as determined by the Issuer at which the Issuer must call the CBBCs before its Expiry Date subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Cash Settlement Amount**” means the amount of cash to be paid on valid exercise of the Structured Warrants in accordance with Condition 4(a) – *Mandatory Call Event* or Condition 5 – *Expiry Date*.

“**Category N CBBCs**” means a series of CBBCs where the Call Price is equal to the Exercise Price (as defined below).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Category R CBBCs” means a series of CBBCs where the Call Price is different from the Exercise Price.

“Day of Notification” means the Market Day immediately following the day on which the Mandatory Call Event occurs.

“Exercise Ratio” means the number of Structured Warrants to which one (1) Underlying Share relates, as specified in the relevant Term Sheet.

“Exercise Amount” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“Exercise Price” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

“Exercise Expenses” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“Hedging Disruption Event” means if the Issuer determines that it is or has become not reasonably practicable or it has otherwise become undesirable, for any reason, for the Issuer to wholly or partially establish, re-establish, substitute or maintain a relevant hedging transaction (**“Relevant Hedging Transaction”**) it deems necessary or desirable to hedge its obligations in respect of the CBBCs. The reasons for such determination by the Issuer may include, but are not limited to, the following:

- (a) any material illiquidity in the market for the Underlying Shares;
- (b) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority);
- (c) a material decline in the creditworthiness of a party with whom the Issuer have entered into any such Relevant Hedging Transaction; or
- (d) the general unavailability of:
 - (i) market participants who will agree to enter into a Relevant Hedging Transaction; or
 - (ii) market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms.

“Highest Traded Price” means in respect of a series of callable bear certificates, the highest traded price of the Underlying Shares during the Main Trading Phase of MCE Valuation Period (as defined below) which the opening and closing prices are not to be taken into account.

“Lowest Traded Price” means in respect of a series of callable bull certificates, the lowest traded price of the Underlying Shares during the Main Trading Phase of MCE Valuation

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Period (as defined below) which the opening and closing prices are not to be taken into account.

“Main Trading Phase” means a trading phase as described in Rule 701.5A of the Rules of the Bursa Securities or the rules of the respective Securities Exchange where the Underlying Shares is quoted and/or traded as specified in the relevant Term Sheet.

“Mandatory Call Event” means the first occurrence at any time before the CBBC’s Expiry Date where the transacted price of the Underlying Shares is at or below (in respect of a callable bull certificate) or at or above (in respect of a callable bear certificate) the Call Price and upon which the CBBCs will be called by the Issuer.

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying Shares or the Structured Warrants, which includes but is not limited to the following events:

- (a) **“Trading Disruption”**, means
 - (i) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying Shares or the Structured Warrants; or
 - (ii) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
- (b) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
- (c) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.

“MCE Valuation Period” means the period commencing from and including the time where Mandatory Call Event occurs and up to the end of the Next Trading Session (as defined below) on the relevant Securities Exchange unless, if the Issuer determines, in its sole discretion that during MCE Valuation Period, a Market Disruption Event has occurred, then the Next Trading Session shall be postponed until the first succeeding trading session on which there is no Market Disruption Event. In the event a Market Disruption Event happens resulting in the postponed Next Trading Session falling on or after the Expiry Date then:

- (a) the end of the last trading session on the Market Day immediately preceding the Expiry Date (the **“End of MCE Valuation Period”**) shall be deemed to be the MCE Valuation Period notwithstanding the Market Disruption Event; and
- (b) the Issuer shall determine the Lowest/Highest Traded Price (as the case may be) of the Underlying Shares on the basis of its good faith estimate of such price that would have prevailed at the End of MCE Valuation Period but for the Market Disruption Event.

For the avoidance of doubt, if there is a Market Disruption Event on any trading session during the MCE Valuation Period, all prices available throughout the extended MCE Valuation

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

Period shall be taken into account to determine the Lowest/Highest Traded Price (as the case may be) for the calculation of the Cash Settlement Amount.

"Next Trading Session" means the first trading session of the Securities Exchange on which the Underlying Shares are quoted and/or traded after the occurrence of the Mandatory Call Event, which contains at least one (1) hour of continuous trading for the Underlying Shares.

"Settlement Date" means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (a) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (b) any other events beyond the Issuer's control which results in:
 - (i) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (ii) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (iii) the principal clearing and settlement system of dealing in the Underlying Shares being unable to settle payments or is unable to clear transfers of the Underlying Shares; or
 - (iv) where the Underlying Shares are denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Shares traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

"Valuation Date" means each of the five (5) Market Days prior to and including Market Day immediately before the Expiry Date, unless if the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

3. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights*. Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantholder, upon due exercise and on compliance with

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Condition 6 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (if any) in the manner set out in Condition 6 – *Exercise* below.

- (b) *Exercise Expenses.* Any charges or expenses including taxes or duties which are incurred in respect of or in connection with (i) Category R CBBCs, upon the occurrence of the Mandatory Call Event or (ii) exercise of the Structured Warrants in accordance with Condition 6(c) – *Automatic Exercise*, are to be borne by the Warrantheader. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost (“**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantheaders to the delivery of any Underlying Shares, is not secured by the Underlying Shares and does not confer on the Warrantheaders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Shares or otherwise) which a holder of the Underlying Shares may have.

4. Mandatory Call Event and Revocation of Mandatory Call Event

- (a) *Mandatory Call Event.* Upon the occurrence of the Mandatory Call Event, the trading of CBBCs will cease immediately and the Issuer shall have no further obligation under the Structured Warrants except for the Cash Settlement Amount which would be payable by the Issuer (if the Cash Settlement Amount after deducting all Exercise Expenses is greater than zero), except otherwise stated in Condition 4(b) below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in RM, calculated as follows less Exercise Expenses:

In respect of Category R CBBCs,

- (i) In the case of callable bull certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Lowest Traded Price} - \text{Exercise Price} \right] - \text{Exercise Expenses}$$

- (ii) In the case of callable bear certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Exercise Price} - \text{Highest Traded Price} \right] - \text{Exercise Expenses}$$

Provided that the Issuer may, in its absolute discretion, pay a higher Cash Settlement Amount than the amount calculated in accordance with the above formula.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

In respect of Category N CBBCs, Cash Settlement Amount is zero when Mandatory Call Event occurs.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

In the case of the Highest/Lowest Traded Price and Exercise Price are being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warranholders.

- (b) *Revocation of Mandatory Call Event.* The Mandatory Call Event is irrevocable unless it is triggered as a result of any of the following events:
- (i) system malfunction or other technical errors of the relevant Securities Exchange; or
 - (ii) manifest errors caused by the relevant third party price source where applicable; and
 - (iii) in each case, the Issuer shall take such steps as prescribed by the relevant Securities Exchange in accordance with the relevant rules and regulations or such course of action as mutually agreed between the Issuer and the relevant Securities Exchange as soon as reasonably practicable to alleviate the consequences resulting from the above (i) and (ii) to the extent practicable.
- (c) *Course of Actions.* On the occurrence of Mandatory Call Event, the Issuer shall unless otherwise permitted pursuant to or provided under the Listing Requirements:
- (i) immediately notify Bursa Securities to suspend the trading of the CBBCs and such CBBCs will be delisted on the fourth (4th) Market Day after the Mandatory Call Event;
 - (ii) announce the Mandatory Call Event and suspension to the Bursa Securities in accordance with Condition 11 – *Notices*; and
 - (iii) announce the Cash Settlement Amount within one (1) Market Day from the end of the Next Trading Session after the Mandatory Call Event in accordance with Condition 11 – *Notices*.

5. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants shall not be earlier than three (3) months and not later than five (5) years from the date of its issue, unless a Mandatory Call Event occurs in which case the callable bull/bear certificate will be terminated before its Expiry Date and the same shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrant which has not been automatically exercised in accordance to Condition 6(c) – *Automatic Exercise* below shall expire and all rights of the Warranholders and the Issuer's obligations with respect to such

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Expiry Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 7 – *Adjustments*.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in RM, calculated as follows less Exercise Expenses:

- (a) In the case of callable bull certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Closing Price} - \text{Exercise Price} \right] - \text{Exercise Expenses}$$

- (b) In the case of callable bear certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Exercise Price} - \text{Closing Price} \right] - \text{Exercise Expenses}$$

In the case of the Closing Price (as defined below) and the Exercise Price being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantheolders.

“**Closing Price**” in relation to the Underlying Shares, on the Expiry Date, shall be determined as follows:

- (a) the average daily VWAP of the Underlying Shares for five (5) Market Days prior to and including Market Day immediately before the Expiry Date (“**Valuation Period**”) and each of such five (5) Market Days shall be referred to as “**Valuation Date**”; or
- (b) the average closing price of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (c) the closing price of the Underlying Shares on the Market Day immediately before the Expiry Date,

as specified by the relevant Term Sheet.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

For the Underlying Shares which are quoted on a Securities Exchanges outside Malaysia, the Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

6. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Mode of Exercise.* In respect of (i) Category R CBBCs, upon occurrence of Mandatory Call Event or (ii) Structured Warrants which are automatically exercised in accordance with Condition 6(c) – *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event, the Issuer shall pay the Warranholder the Cash Settlement Amount (if any).

The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warranholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the date of De-Listing (as defined below) of the CBBCs or Expiry Date (whichever is earlier). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warranholder, the cheque shall be delivered by ordinary post to the Warranholder's address last recorded in the Record of Depositors at the Warranholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warranholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warranholders are not required to serve any notice of exercise. In the event there is no Mandatory Call Event, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrant shall cease and the Warranholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event. If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date, the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warranholders for any interest in respect of the amount due or any loss or damage that such Warranholder may suffer as a result of the existence of the Settlement Disruption Event.
- (e) *Notification on Expiry.* The Issuer shall notify the Warranholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 11 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised

7. Adjustments

- (a) Following the declaration by an Underlying Company of the terms of any Potential Adjustment Event (as defined in Condition 2 - *Definitions*), the Issuer will determine whether such Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying Shares and, if so, the Issuer will:
 - (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such a Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange as determined by the Issuer on which the shares constituting the Underlying Shares are listed and quoted, unless otherwise specified by the Issuer.

"Potential Adjustment Event" include any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Shares (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying Shares to existing Warranholders by way of bonus, capitalisation or similar issue;
- (ii) a call by the Underlying Company in respect of relevant Underlying Shares that are not fully paid;
- (iii) a repurchase or buy-back by the Underlying Company of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (iv) a rights issue or bonus issue of the Underlying Shares;

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (v) a capital repayment in cash whether in the form of special dividend or otherwise pursuant to the Act; or
 - (vi) any other event which may have, in the Issuer's opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying Shares.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever the Underlying Company shall subdivide its Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a greater number of shares ("**Subdivision**") or consolidate the Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a smaller number of shares ("**Consolidation**"), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

(i) **Adjusted Exercise Ratio =**

$$E \quad x \quad \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \quad x \quad \frac{P}{N}$$

Where:

- X: Existing Exercise Price immediately prior to the Subdivision or Consolidation
- N: The revised number of issued shares after the Subdivision or Consolidation.
- P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.
- E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (ii) *Rights Issue.* If and whenever the Underlying Company shall, by way of Rights (as defined below), offer new shares for subscription at a fixed

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

subscription price to the holders of existing Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio, Exercise Price and/or the Call Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying Shares are traded on a cum-rights basis.

R: Subscription price per Underlying Share as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.

M: Number of new Underlying Shares (whether a whole or a fraction) per existing Underlying Shares each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

"**Rights**" means the Right(s) attached to each existing Underlying Share or needed to acquire one new Underlying Share (as the case may be) which are given to the holders of existing Underlying Shares to subscribe at a fixed subscription price for new Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue.* If and whenever the Underlying Company shall make a new issue of shares credited as fully paid to the holders of the Underlying Shares

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying Company or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio, Exercise Price and/or Call Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying Shares (whether a whole or a fraction) received by a holder of existing Underlying Shares for each Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Capital Repayment.* If the Underlying Company of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Underlying Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(i) **Adjusted Exercise Ratio =**

$$E \quad X \quad \frac{(P-D)}{P}$$

(ii) **Adjusted Exercise Price =**

$$Y \quad x \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying Shares on the last Market Day on which the Underlying Shares are traded on a cum-entitlement basis

D: The capital repayment/special dividend per one (1) Underlying Share held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the repayment/special dividend.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

Notwithstanding the above, if a capital repayment undertaken by the relevant Underlying Company results in a significant change in the business of such Underlying Company or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Structured Warrant held by such Warrantholder if the Cash Settlement Amount after deducting all Exercise Expenses, is greater than zero (without the Warrantholder having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

(c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying Shares, the Issuer may take any action described below:

(i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;

- (ii) cancel the CBBCs by giving notice to the Warrantholders in accordance with Condition 11 – *Notices* if the CBBCs are so cancelled, the CBBC held by such Warrantholder which amount shall be the fair market value of a CBBC taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 11 – *Notices*; or
- (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warrantholders in accordance with Condition 11 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warrantholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/ or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustments made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an Underlying Company:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (1) all the Underlying Shares of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying Shares of that Underlying Company become legally prohibited from transferring them.

"Merger Date" means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

"Merger Event" means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of such Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of an Underlying Company with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of arrangement or otherwise in which such Underlying Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Shares outstanding); or
- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding Underlying Shares of the Underlying Company that results in a transfer or an irrevocable commitment to transfer all such Underlying Shares (other than such Underlying Shares owned or controlled by such other entity or person); or
- (4) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding, results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 percent (50%) of the outstanding Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

"Nationalisation" means that all the Underlying Shares or all or substantially all of the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"Option Reference Source" means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

"Take-Over Offer" means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(100%) of the outstanding voting shares of the Underlying Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deem relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 7 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the CBBCs and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warranholders generally (without considering the circumstances of any individual Warranholder or the tax or other consequences of such adjustment in any particular jurisdictions).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 11 – *Notices* within five (5) Market Days of the adjustment being made.

8. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchases or buy-back any of the Structured Warrants and become the Warranholders of any are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

9. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such Warranholders' meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

10. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 11 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

11. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

12. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing price of the Underlying Shares on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

13. Termination for Force Majeure, Hedging Disruption Event, etc.

- (a) *Force Majeure, Hedging Disruption Event etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warranholders in accordance with Condition 11 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 13(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder equals to the fair market value of a Structured Warrant notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 11 – *Notices*.

14. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warranholders, to create and issue further CBBCs so as to form a single series with the previous series of the Structured Warrants.

15. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

16. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with

ANNEXURE I PRINCIPAL TERMS OF DEED POLL *(Cont'd)*

the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(x) European style non-collateralised cash-settled CBBCs over a single index

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 14 – *Further Issues* below). Warrantheolders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants constitute general and unsecured contractual obligations of the Issuer’s company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantheolders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantheolders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantheolders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantheolders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantheolders are not entitled to any physical warrant certificates.

2. Definitions

In these Conditions, unless the context requires otherwise or unless otherwise defined:

“**Call Level**” means the pre-specified level of the Underlying Index as determined by the Issuer at which the Issuer must call the CBBCs before its Expiry Date subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Cash Settlement Amount**” means the amount of cash to be paid on valid exercise of the Structured Warrants in accordance with Condition 4(a) – *Mandatory Call Event* or Condition 5 – *Expiry Date*.

“**Category N CBBCs**” means a series of CBBCs where the Call Level is equal to the Exercise Level (as defined herein).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Category R CBBCs” means a series of CBBCs where the Call Level is different from the Exercise Level.

“Day of Notification” means the Market Day immediately following the day on which the Mandatory Call Event occurs.

“Exercise Amount” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“Exercise Ratio” means the number of Structured Warrants to which one (1) Underlying Index relates, as specified in the relevant Term Sheet.

“Exercise Expenses” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“Highest Traded Level” means, in respect of a series of callable bear certificates, the highest traded level of the Underlying Index during the MCE Valuation Period (as defined herein).

“Hedging Disruption Event” means if the Issuer determines that it is or has become not reasonably practicable or it has otherwise become undesirable, for any reason, for the Issuer to wholly or partially establish, re-establish, substitute or maintain a relevant hedging transaction (**“Relevant Hedging Transaction”**) it deems necessary or desirable to hedge its obligations in respect of the CBBCs. The reasons for such determination by the Issuer may include, but are not limited to, the following:

- (a) any material illiquidity in the market for the Underlying Index;
- (b) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority);
- (c) a material decline in the creditworthiness of a party with whom the Issuer have entered into any such Relevant Hedging Transaction; or
- (d) the general unavailability of:
 - (i) market participants who will agree to enter into a Relevant Hedging Transaction; or
 - (ii) market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms.

“Index Currency Amount” means the amount of unit currency relating to one (1) integral point of the Underlying Index, as specified in the relevant Term Sheet.

“Lowest Traded Level” means in respect of a series of callable bull certificates, the lowest traded level of the Underlying Index during the MCE Valuation Period (as defined herein).

“Mandatory Call Event” means the first occurrence at any time before the CBBC’s Expiry Date where the transacted level of the Underlying Index is at or below (in respect of a callable bull certificate) or at or above (in respect of a callable bear certificate) the Call Level and upon which the CBBCs will be called by the Issuer.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

"Market Disruption Event" means the occurrence or existence of an event where it is not possible to obtain market prices in respect of a material number of shares comprising the Underlying Index or any material constituent security of the Underlying Index or the Structured Warrants, which includes but is not limited to the following events:

- (a) the occurrence or existence on any Market Day at the time by reference to which the Issuer determines the level of the relevant Underlying Index or the prices of the shares constituting the Underlying Index ("**Relevant Time**") for such Underlying Index or such shares constituting the Underlying Index or at any time during the one hour period that ends at the Relevant Time for such Underlying Index or such shares constituting the Underlying Index:
 - (i) of any suspension of a limitation imposed on trading such as:
 - (aa) the suspension or material limitation on the trading of a material number of the shares constituting the Underlying Index;
 - (bb) the suspension or material limitation on the trading of the shares constituting the Underlying Index on the relevant Securities Exchange;
 - (bb) the suspension or material limitation on relevant Securities Exchange on the trading of options contracts or futures contracts relating to the Underlying Index or shares relating to the Underlying Index on which such contracts are traded;
 - (cc) the imposition of any exchange controls in respect of any currencies involved in determining the Cash Settlement Amount; or
 - (ii) of any event that disrupts or impairs (as determined by the Issuer) the ability of market participants in general to effect transactions in relation to or to obtain market levels for the Underlying Index or market prices such shares constituting the Underlying Index on the relevant Securities Exchange or to effect transactions in or obtain market quotes for options contracts or futures contracts on or relating to the relevant Underlying Index or such shares constituting the Underlying Index on the relevant Securities Exchange;
- (b) the closure on any Market Day of the relevant Securities Exchange prior to the scheduled closing time unless such earlier closing time is announced by such Securities Exchange or such related Securities Exchange, as the case may be, at least one half hour prior to:
 - (i) the actual closing time for the regular trading session on such Securities Exchange or such related Securities Exchange on such Market Day; or
 - (ii) the submission deadline (if applicable) for orders to be entered into the Securities Exchange or such related Securities Exchange system for execution on such Market Day,

whichever is earlier.

"MCE Valuation Period" means the period commencing from and including the time where Mandatory Call Event occurs and up to the end of the Next Trading Session (as defined below) on the relevant Securities Exchange unless, if the Issuer determines, in its sole discretion that during MCE Valuation Period, a Market Disruption Event has occurred, then the Next Trading Session shall be postponed until the first succeeding trading session on

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

which there is no Market Disruption Event. In the event a Market Disruption Event happens resulting in the postponed Next Trading Session falling on or after the Expiry Date then:

- (a) the end of the last trading session on the Market Day immediately preceding the Expiry Date (the “**End of MCE Valuation Period**”) shall be deemed to be the MCE Valuation Period notwithstanding the Market Disruption Event; and
- (b) the Issuer shall determine the Lowest/Highest Traded Level (as the case may be) of the Underlying Index on the basis of its good faith estimate of such level that would have prevailed at the End of MCE Valuation Period but for the Market Disruption Event.

For the avoidance of doubt, if there is a Market Disruption Event on any trading session during the MCE Valuation Period, all prices available throughout the extended MCE Valuation Period shall be taken into account to determine the Lowest/Highest Traded Level (as the case may be) for the calculation of the Cash Settlement Amount.

“**Next Trading Session**” means the first trading session of the Securities Exchange on which the Underlying Index is quoted and/or traded after the occurrence of the Mandatory Call Event, which contains at least one (1) hour of continuous trading for the Underlying Index.

“**Settlement Date**” means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

“**Settlement Disruption Event**” refers to the occurrence of any one of the following events:

- (a) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (b) any other events beyond the Issuer’s control which results in:
 - (i) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (ii) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (iii) the principal clearing and settlement system of dealing in the Underlying Index being unable to settle payments or is unable to clear transfers of the Underlying Index; or
 - (iv) where the Underlying Index is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Index traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

“**Exercise Level**” means in relation to a particular series of Structured Warrants, the Exercise Level is the pre-specified level as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

“**Valuation Date**” means each of the five (5) Market Days prior to and including Market Day immediately before the Expiry Date, unless if the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer’s good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

3. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantheader, upon due exercise and on compliance with Condition 6 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 6 – *Exercise* below.
- (b) *Exercise Expenses.* Any charges or expenses including taxes or duties which are incurred in respect of or in connection with (i) Category R CBBCs, upon the occurrence of the Mandatory Call Event or (ii) exercise of the Structured Warrants in accordance with Condition 6(c) – *Automatic Exercise*, are to be borne by the Warrantheader. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost (“**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No recourse against Underlying Index Sponsor.* Warrantheaders have no claim against the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) for any mistake, error or omission in the calculation or compilation of the Underlying Index. The Issuer shall not be liable to the Warrantheaders for any losses, costs, expenses or charges incurred due to the mistake, error or omission by the Underlying Index Sponsor (including its agent(s) and delegate(s), as the case may be) in the calculation or compilation of the Underlying Index.

4. Mandatory Call Event and Revocation of Mandatory Call Event

- (a) *Mandatory Call Event.* Upon the occurrence of the Mandatory Call Event, the trading of CBBCs will cease immediately and the Issuer shall have no further obligation under the Structured Warrants except for the Cash Settlement Amount which would be payable by the Issuer (if the Cash Settlement Amount after deducting all Exercise Expenses is greater than zero), except otherwise stated in Condition 4(b) below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in RM, calculated as follows less Exercise Expenses:

In respect of Category R CBBCs,

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(i) In the case of callable bull certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Lowest Traded Level} - \text{Exercise Level} \right] \times \text{Index Currency Amount} - \text{Exercise Expenses}$$

(ii) In the case of callable bear certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Exercise Level} - \text{Highest Traded Level} \right] \times \text{Index Currency Amount} - \text{Exercise Expenses}$$

Provided that the Issuer may, in its absolute discretion, pay a higher Cash Settlement Amount than the amount calculated in accordance with the above formula.

In the case of the Lowest/Highest Traded Level and Exercise Level are being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warranholders.

In respect of Category N CBBCs, Cash Settlement Amount is zero when Mandatory Call Event occurs.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

(b) *Revocation of Mandatory Call Event.* The Mandatory Call Event is irrevocable unless it is triggered as a result of any of the following events:

- (i) system malfunction or other technical errors of the relevant Securities Exchange; or
- (ii) manifest errors caused by the relevant third party price source where applicable;

and in each case, the Issuer shall take such steps as prescribed by the relevant Securities Exchange in the relevant rules and regulations or such course of action as mutually agreed between the Issuer and the relevant Securities Exchange as soon as reasonably practicable to alleviate the consequences resulting from the above (i) and (ii) to the extent practicable.

In respect of an Underlying Index located outside Malaysia:

- (i) the revocation of the Mandatory Call Event is communicated to the other party by 9.00 a.m. or such other time prescribed by the relevant Securities Exchange from time to time on the Day of Notification; and
- (ii) the Issuer and the relevant Securities Exchange mutually agree that such Mandatory Call Event is to be revoked on the Day of Notification.

(c) *Course of Actions.* On the occurrence of Mandatory Call Event, the Issuer shall unless otherwise permitted pursuant to or provided under the Listing Requirements:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (i) immediately notify Bursa Securities to suspend the trading of the CBBCs and such CBBCs will be delisted on the fourth (4th) Market Day after the Mandatory Call Event;
- (ii) announce the Mandatory Call Event and suspension to the Bursa Securities in accordance with Condition 11 – *Notices*; and
- (iii) announce the Cash Settlement Amount within one (1) Market Day from the end of the Next Trading Session after the Mandatory Call Event in accordance with Condition 11 – *Notices*.

5. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants in relation to callable bear/bull certificates, shall not be earlier than three (3) months and not later than five (5) years from the date of its issue, unless a Mandatory Call Event occurs in which case the callable bull/bear certificate will be terminated before its Expiry Date and shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Structured Warrants which has not been automatically exercised in accordance to Condition 6(c) – *Automatic Exercise* below shall expire and all rights of the Warranholders and the Issuer's obligations in respect of the Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference level and/or the exchange rate (if applicable) for the Expiry Date by determining the level of the Underlying Index and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 7 – *Adjustments*.

The "**Cash Settlement Amount**" in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in RM, calculated as follows less Exercise Expenses:

- (a) In the case of callable bull certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\begin{array}{l} \text{Closing Level} \\ - \text{Exercise Level} \end{array} \right] \times \text{Index Currency Amount} - \text{Exercise Expenses}$$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(b) In the case of callable bear certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Exercise Level} - \text{Closing Level} \right] \times \text{Index Currency Amount} - \text{Exercise Expenses}$$

In the case of the Closing Level (as defined below) and the Exercise Level being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantheholders.

“**Closing Level**” in relation to the Underlying Index, on the Expiry Date, shall be determined as follows:

- (i) the closing level of the Underlying Index on the Market Day immediately before the Expiry Date; or
- (ii) the final settlement price for settling the corresponding spot month index futures contract immediately before the Expiry Date; or
- (iii) the average closing levels of the Underlying Index for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date (“**Valuation Period**”) and each of such five (5) Market Days shall be referred to as “**Valuation Date**” during the Valuation Period,

as specified by the relevant Term Sheet.

For the avoidance of doubt, the Warrantheholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

For the Underlying Index which is quoted on a Securities Exchange outside Malaysia, the Closing Level and the Exercise Level may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

6. Exercise

- (a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.
- (b) *Mode of Exercise.* In respect of (i) Category R CBBCs, upon occurrence of Mandatory Call Event or (ii) Structured Warrants which are automatically exercised in accordance with Condition 6(c) – *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event, the Issuer shall pay the Warrantheholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantheholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the date of De-Listing (as defined below) or Expiry Date (whichever is earlier). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantheholder, the cheque shall be delivered by ordinary post to the Warrantheholder’s address last recorded in the Record of Depositors at the Warrantheholder’s own risk.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantheader to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

- (c) *Automatic Exercise.* The Warrantheaders are not required to serve any notice of exercise. In the event there is no Mandatory Call Event, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warrantheaders and the Issuer's obligations with respect to such Structured Warrants shall cease and the Warrantheaders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warrantheaders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event. If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date, the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warrantheaders for any interest in respect of the amount due or any loss or damage that such Warrantheader may suffer as a result of the existence of the Settlement Disruption Event.
- (e) *Notification on Expiry.* The Issuer shall notify the Warrantheaders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 11 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

7. Adjustments

The Underlying Index of the relevant Structured Warrants shall from time to time be adjusted in accordance with the following provisions:

- (a) *Successor for the Underlying Index sponsor calculates and reports Underlying Index.*

If the Underlying Index is:

- (i) not calculated and announced by the Underlying Index Sponsor but is calculated and published by a successor to the Underlying Index Sponsor ("**Successor Underlying Index Sponsor**") acceptable to the Issuer; or
- (ii) replaced by a successor index using, in the Issuer's determination, the same or substantially similar formula for and method of calculation as used in the calculation of the Underlying Index,

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

then the Underlying Index will be deemed to be the index so calculated and announced by the Successor Underlying Index Sponsor or that successor index, as the case may be.

- (b) *Modification and cessation of calculation of Underlying Index. If:*
- (i) on any Market Day the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the Underlying Index or in any other way materially modifies the Underlying Index (other than modifications prescribed in that formula or method to maintain the Underlying Index in the event of changes in the constituent stocks, contracts or commodities and other routine events); or
 - (ii) on any Market Day the Underlying Index Sponsor or if applicable, the Successor Underlying Index Sponsor fails to calculate and publish the Underlying Index (other than as a result of a Market Disruption Event) ("**Index Disruption**"),

then the Issuer may determine the Closing Level or Highest/Lowest Traded Level using, in lieu of a published level for the Underlying Index, the level for the Underlying Index as at that Market Day as determined by the Issuer in accordance with the formula for and method of calculating the Underlying Index last in effect prior to that change or failure, but using only those shares/commodities that comprised the Underlying Index immediately prior to that change, modification, cancellation or failure (other than those shares that have since ceased to be listed on the relevant Securities Exchange). Alternatively, the Issuer may determine the reference level using the closing level of the corresponding spot-month index futures contract, if available.

- (c) On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.
- (d) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (e) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheolders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 11 – *Notices* within five (5) Market Days of the adjustment being made.

8. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back the Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheolders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warranholders, unless otherwise permitted by applicable laws and requirements.

9. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
- (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

10. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of laws or rules or regulations; or
- (v) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warrantheolders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 11 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

11. Notices

All notices to the Warrantheolders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warrantheolders after the date the relevant notice is announced or published, as the case may be.

12. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warrantheolders, the Issuer reserves the in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warrantheolders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warrantheolders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warrantheolders:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warrantholder; or
- (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warrantholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
- (ii) the closing level of the Underlying Index on the Market Day immediately before the above events shall form the Closing Level for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

13. Termination for Force Majeure, Hedging Disruption Event, etc.

- (a) *Force Majeure, Hedging Disruption Event, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond its control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Index for any reason, the Issuer may at its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warrantholders in accordance with Condition 11 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 13(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Structured Warrant held by such Warrantholder equals to the fair market value of a Structured Warrant notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Index related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 11 – *Notices*.

14. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warrantholders, to create and issue further CBBCs so as to form a single series with the previous series of the Structured Warrants.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

15. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warrantholder and such Warrantholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

16. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warrantholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(xi) European style non-collateralised cash-settled CBBCs over an ETF

1. Form, Status, Title and Administration

- (a) *Form.* The Structured Warrants are issued in registered form and constituted by the Deed Poll (the expression “**Structured Warrants**” in this context shall, unless otherwise requires, include any further Structured Warrants issued pursuant to Condition 14 – *Further Issues* below). Warrantholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Structured Warrants and the Issuer’s settlement obligation in respect of the Structured Warrants will constitute general and unsecured contractual obligations of the Issuer’s Company and of no other person and the Structured Warrants will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions).
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Structured Warrants shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Structured Warrants.
- (d) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warrantholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warrantholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warrantholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warrantholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warrantholders are not entitled to any physical warrant certificates.

2. Definitions

In these Conditions, unless the context requires otherwise or unless otherwise defined:

“**Call Price**” means the pre-specified price of the Underlying ETF as determined by the Issuer at which the Issuer must call the CBBCs before its Expiry Date subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Cash Settlement Amount**” means the amount of cash to be paid on valid exercise of the Structured Warrants in accordance with Condition 4(a) – *Mandatory Call Event* or Condition 5 – *Expiry Date*.

“**Category N CBBCs**” means a series of CBBCs where the Call Price is equal to the Exercise Price (as defined herein).

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“**Category R CBBCs**” means a series of CBBCs where the Call Price is different from the Exercise Price.

“**Day of Notification**” means the Market Day immediately following the day on which the Mandatory Call Event occurs.

“**Exercise Amount**” means the number of Structured Warrants held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Ratio**” means the number of Structured Warrants to which one (1) Underlying ETF relates, as specified in the relevant Term Sheets.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Exercise Price**” means in relation to a particular series of Structured Warrants, the pre-specified price as determined by the Issuer at which the Warrantholder may exercise the right under such Structured Warrants subject to any adjustment as may be necessary in accordance with the Adjustment Conditions set out in Condition 7 – *Adjustments* below and as specified in the relevant Term Sheet.

“**Hedging Disruption Event**” means if the Issuer determines that it is or has become not reasonably practicable or it has otherwise become undesirable, for any reason, for the Issuer to wholly or partially establish, re-establish, substitute or maintain a relevant hedging transaction (“**Relevant Hedging Transaction**”) it deems necessary or desirable to hedge its obligations in respect of the CBBCs. The reasons for such determination by the Issuer may include, but are not limited to, the following:

- (a) any material illiquidity in the market for the Underlying ETF;
- (b) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority);
- (c) a material decline in the creditworthiness of a party with whom the Issuer have entered into any such Relevant Hedging Transaction; or
- (d) the general unavailability of:
 - (i) market participants who will agree to enter into a Relevant Hedging Transaction; or
 - (ii) market participants who will so enter into a Relevant Hedging Transaction on commercially reasonable terms.

“**Highest Traded Price**” means in respect of a series of callable bear certificates, the highest traded price of the Underlying ETF during the Main Trading Phase of MCE Valuation Period (as defined herein) which the opening and closing prices are not to be taken into account.

“**Lowest Traded Price**” means in respect of a series of callable bull certificates, the lowest traded price of the Underlying ETF during the Main Trading Phase of MCE Valuation Period (as defined herein) which the opening and closing prices are not to be taken into account.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Main Trading Phase” means a trading phase as described in Rule 701.5A of the Rules of the Bursa Securities or the rules of the respective Securities Exchange where the Underlying ETF is quoted and/or traded as specified in the relevant Term Sheet.

“Mandatory Call Event” means the first occurrence at any time before the CBBC’s Expiry Date where the transacted price of the Underlying ETF is at or below (in respect of a callable bull certificate) or at or above (in respect of a callable bear certificate) the Call Price and upon which the CBBCs will be called by the Issuer.

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying ETF or the Structured Warrants, which includes but is not limited to the following events:

- (a) **“Trading Disruption”** means
 - (i) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying ETF or the Structured Warrants; or
 - (ii) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
- (b) **“Exchange Disruption”** means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
- (c) **“Early Closure”** means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.

“MCE Valuation Period” means the period commencing from and including the time where Mandatory Call Event occurs and up to the end of the Next Trading Session (as defined below) on the relevant Securities Exchange unless, if the Issuer determines, in its sole discretion that during MCE Valuation Period, a Market Disruption Event has occurred, then the Next Trading Session shall be postponed until the first succeeding trading session on which there is no Market Disruption Event. In the event a Market Disruption Event happens resulting in the postponed Next Trading Session falling on or after the Expiry Date then:

- (a) the end of the last trading session on the Market Day immediately preceding the Expiry Date (the **“End of MCE Valuation Period”**) shall be deemed to be the MCE Valuation Period notwithstanding the Market Disruption Event; and
- (b) the Issuer shall determine the Lowest/Highest Traded Price (as the case may be) of the Underlying ETF on the basis of its good faith estimate of such price that would have prevailed at the End of MCE Valuation Period but for the Market Disruption Event.

For the avoidance of doubt, if there is a Market Disruption Event on any trading session during the MCE Valuation Period, all prices available throughout the extended MCE Valuation Period shall be taken into account to determine the Lowest/Highest Traded Price (as the case may be) for the calculation of the Cash Settlement Amount.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

"Next Trading Session" means the first trading session of the Securities Exchange on which the Underlying ETF is quoted and/or traded after the occurrence of the Mandatory Call Event, which contains at least one (1) hour of continuous trading for the Underlying ETF.

"Settlement Date" means a Market Day and a day upon which payment is made to the Warrantholder, on which commercial banks in Malaysia are open for business during the normal business hours.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (a) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (b) any other events beyond the Issuer's control which results in:
 - (i) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (ii) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (iii) the principal clearing and settlement system of dealing in the Underlying ETF being unable to settle payments or is unable to clear transfers of the Underlying ETF; or
 - (iv) where the Underlying ETF is denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying ETF traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

"Valuation Date" means each of the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date, unless if the Issuer determines, in its sole discretion that on any Valuation Date, a Market Disruption Event has occurred, then the Valuation Date shall be postponed until the first succeeding Market Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a day that already is or is deemed to be a Valuation Date. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Valuation Date, then the Valuation Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine at its absolute discretion and on the basis of the Issuer's good faith estimate the reference price and/or the exchange rate (if applicable) for that Valuation Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

3. Structured Warrants Rights and Exercise Expenses

- (a) *Structured Warrants Rights.* Every Exercise Amount (as defined below) of Structured Warrants entitles the Warrantholder, upon due exercise and on compliance with Condition 6 – *Exercise* below, the right to receive the payment by the Issuer of the Cash Settlement Amount (if any) in the manner set out in Condition 6 – *Exercise* below.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (b) *Exercise Expenses.* Any charges or expenses including taxes or duties which are incurred in respect of or in connection with (i) Category R CBBCs, upon the occurrence of the Mandatory Call Event or (ii) exercise of the Structured Warrants in accordance with Condition 6(c) – *Automatic Exercise*, are to be borne by the Warrantheader. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost (“**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantheaders to the delivery of any Underlying ETF, is not secured by the Underlying ETF and does not confer on the Warrantheaders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying ETF or otherwise) which a holder of the Underlying ETF may have.

4. Mandatory Call Event and Revocation of Mandatory Call Event

- (a) *Mandatory Call Event.* Upon the occurrence of the Mandatory Call Event, the trading of CBBCs will cease immediately and the Issuer shall have no further obligation under the Structured Warrants except for the Cash Settlement Amount which would be payable by the Issuer (if the Cash Settlement Amount after deducting all Exercise Expenses is greater than zero), except otherwise stated in Conditions 4(b) below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in RM, calculated as follows less Exercise Expenses:

In respect of Category R CBBCs,

- (i) In the case of callable bull certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Lowest Traded Price} - \text{Exercise Price} \right] - \text{Exercise Expenses}$$

- (ii) In the case of callable bear certificates:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times \left[\text{Exercise Price} - \text{Highest Traded Price} \right] - \text{Exercise Expenses}$$

Provided that the Issuer may, in its absolute discretion, pay a higher Cash Settlement Amount than the amount calculated in accordance with the above formula.

In respect of Category N CBBCs, Cash Settlement Amount is zero when Mandatory Call Event occurs.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

In the case of the Highest/Lowest Traded Price and Exercise Price are being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warranholders.

(b) *Revocation of Mandatory Call Event.* The Mandatory Call Event is irrevocable unless it is triggered as a result of any of the following events:

- (i) system malfunction or other technical errors of the relevant Securities Exchange; or
- (ii) manifest errors caused by the relevant third party price source where applicable; and

in each case, the Issuer shall take such steps as prescribed by the relevant Securities Exchange in the relevant rules and regulations or such course of action as mutually agreed between the Issuer and the relevant Securities Exchange as soon as reasonably practicable to alleviate the consequences resulting from the above (i) and (ii) to the extent practicable.

(c) *Course of Actions.* On the occurrence of Mandatory Call Event, the Issuer shall unless otherwise permitted pursuant to or provided under the Listing Requirements:

- (i) immediately notify Bursa Securities to suspend the trading of the CBBCs and such CBBCs will be delisted on the fourth (4th) Market Day after the Mandatory Call Event; and
- (ii) announce the Mandatory Call Event and suspension to the Bursa Securities in accordance with Condition 11 – *Notices*; and
- (iii) announce the Cash Settlement Amount within one (1) Market Day from the end of the Next Trading Session after the Mandatory Call Event in accordance with Condition 11 – *Notices*.

5. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants in relation to callable bear/bull certificates, shall not be earlier than three (3) months and not later than five (5) years from the date of its issue, unless a Mandatory Call Event occurs in which case the callable bull/bear certificate will be terminated before its Expiry Date and shall be specified in the relevant Term Sheet.

Such date of expiry of a particular Structured Warrants to be determined by the Issuer and as specified in the relevant Term Sheet, on which any Structured Warrant which has not been automatically exercised in accordance to Condition 6(c) – *Automatic Exercise* below shall expire and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrants shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

If in the Issuer's absolute discretion, there is a Market Disruption Event on the Expiry Date, the Expiry Date shall be the next following Market Day after the Market Disruption Event. If the Market Disruption Event continues to occur up to the eighth (8th) Market Day following the original Expiry Date, then Expiry Date shall be:

- (i) that eighth (8th) Market Day; and
- (ii) the Issuer shall determine in its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for the Expiry Date by determining the price of the Underlying ETFs and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

The Exercise Price and/or Exercise Ratio shall be subject to such adjustments as may be necessary as provided in Condition 7 – *Adjustments*.

The "**Cash Settlement Amount**" in respect of the Exercise Amount shall be an amount in cash (if greater than zero) payable in the Settlement Currency, calculated as follows less Exercise Expenses:

- (a) In the case of callable bull certificate:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Closing Price} - \text{Exercise Price}) - \text{Exercise Expenses}$$

- (b) In the case of callable bear certificate:

$$\text{Cash Settlement Amount} = \text{Exercise Amount} \times \frac{1}{\text{Exercise Ratio}} \times (\text{Exercise Price} - \text{Closing Price}) - \text{Exercise Expenses}$$

In the case of the Closing Price (as defined below) and the Exercise Price being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warrantholders.

"**Closing Price**" in relation to the Underlying ETF, on the Expiry Date, shall be determined as follows:

- (a) the average daily VWAP of the Underlying ETF for five (5) Market Days prior to and including Market Day immediately before the Expiry Date ("**Valuation Period**") and each of such five (5) Market Days shall be referred to as "**Valuation Date**"; or
- (b) the average closing price of the Underlying ETF (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) during the Valuation Period; or
- (c) the closing price of the Underlying ETF on the Market Day immediately before the Expiry Date,

as specified by the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

For the Underlying ETFs which are quoted on a Securities Exchanges outside Malaysia, the Closing Price and the Exercise Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet.

6. Exercise

(a) *Exercise Amount.* The number of Structured Warrants to be exercised, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

(b) *Mode of Exercise.* In respect of (i) Category R CBBCs, upon occurrence of the Mandatory Call Event or (ii) Structured Warrants which are automatically exercised in accordance with Condition 6(c) – *Automatic Exercise* below and in accordance with these Conditions and when there is no Settlement Disruption Event, the Issuer shall pay the Warranholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warranholder or such other mode as may be approved by Bursa Securities and determined by the Issuer no later than seven (7) Market Days following the date of De-Listing (as defined below) or Expiry Date (whichever is earlier). In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warranholder, the cheque shall be delivered by ordinary post to the Warranholder's address last recorded in the Record of Depositors at the Warranholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warranholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as "free securities" in accordance with the Rules of Bursa Depository.

(c) *Automatic Exercise.* The Warranholders are not required to serve any notice of exercise. In the event there is no Mandatory Call Event, all Structured Warrants shall be deemed to have been exercised automatically on the Expiry Date at 9.00 a.m. In the event the Cash Settlement Amount is less than or equal to zero, all Structured Warrants shall be deemed to have expired on the Expiry Date and all rights of the Warranholders and the Issuer's obligations with respect to such Structured Warrants shall cease and the Warranholders shall not be entitled to receive any payment from the Issuer in respect of the Structured Warrants.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

(d) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount is affected by the occurrence of a Settlement Disruption Event. If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date, the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Date. The Issuer shall not be liable to the Warrantheolders for any interest in respect of the amount due or any loss or damage that such Warrantheolder may suffer as a result of the existence of the Settlement Disruption Event.

- (e) *Notification on Expiry.* The Issuer shall notify the Warrantheolders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 11 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

7. Adjustments

- (a) Following the declaration by the manager or trustee of the Underlying ETF of the terms of any Potential Adjustment Event (as defined in Condition 2 - *Definitions*), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying ETF and, if so, the Issuer will:
- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Structured Warrants as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
 - (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange on which the relevant Underlying ETF are listed and quoted, unless otherwise specified by the Issuer.

“Potential Adjustment Event” means any of the following:

- (i) a subdivision or consolidation of the Underlying ETF (unless a Merger Event (as defined below)) or a free distribution or dividend of such Underlying ETF to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a rights issue or bonus issue of the Underlying ETF; or
 - (iii) a special distribution payment in cash of the Underlying ETF; or
 - (iv) any other event which may have, in the Issuer's opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying ETF.
- (b) The respective formula for the relevant Potential Adjustment Event are as follows:
- (i) *Subdivisions or Consolidations.* If and whenever the Underlying ETF shall subdivide its ETF Units or any class of its ETF Units into a greater number of units (**“Subdivision”**) or consolidate the ETF Units or any class of its outstanding ETF Units into a smaller number of units (**“Consolidation”**), Exercise Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(i) **Adjusted Exercise Ratio =**

$$E \times \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \times \frac{P}{N}$$

Where:

X: Existing Exercise Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

(ii) *Rights Issue.* If and whenever the Underlying ETF shall, by way of Rights (as defined below), offer new ETF Units for subscription at a fixed subscription price to the holders of existing Underlying ETF pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio, Exercise Price and/or the Call Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

(i) **Adjusted Exercise Ratio = $\frac{E}{\text{Adjustment Factor}}$**

(ii) **Adjusted Exercise Price = $\frac{X}{\text{Adjustment Factor}}$**

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Exercise Ratio immediately prior to the Rights Issue.

X: Existing Exercise Price immediately prior to the Rights Issue.

S: Cum-rights units determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying ETF are traded on a cum-rights basis.

R: Subscription price per Underlying ETF as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

M: Number of new Underlying ETF (whether a whole or a fraction) per existing Underlying ETF each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing Underlying ETF or needed to acquire one new Underlying ETF (as the case may be) which are given to the holders of existing Underlying ETF to subscribe at a fixed subscription price for new Underlying ETF pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

(iii) *Bonus Issue.* If and whenever the Underlying ETF shall make a new issue of Underlying ETF credited as fully paid to the holders of the Underlying ETF generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying ETF or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio, Exercise Price and/or Call Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$

$$(ii) \quad \text{Adjusted Exercise Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = 1 + N$$

E: Existing Exercise Ratio immediately prior to the Bonus Issue.

X: Existing Exercise Price immediately prior to the Bonus Issue.

N: Number of additional Underlying ETF (whether a whole or a fraction) received by a holder of existing Underlying ETF for each Underlying ETF held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) If the Underlying ETF of the relevant Structured Warrants undertake a capital distribution in cash whether in the form of special dividend or otherwise during the tenure of the Structured Warrants, the Exercise Price and/or the Exercise Ratio of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Underlying ETF to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and Exercise Price for the Structured Warrants shall be adjusted in accordance with the following formula:

- (i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

- (ii) **Adjusted Exercise Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

P: Closing price of the Underlying ETF on the last Market Day on which the Underlying ETF is traded on a cum-entitlement basis

D: The special distribution amount per one (1) Underlying ETF held.

Y: Existing Exercise Price immediately prior to the capital repayment/special dividend.

E: Existing Exercise Ratio immediately prior to the special distribution payment.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Exercise Price as the Issuer determines appropriate to account for the dilutive effect of the special distribution payment.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (c) *Extraordinary Events.* If a Merger Event, De-Listing, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying ETF, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, De-Listing, Insolvency or such other additional disruption event, made by the Securities Exchange;
 - (ii) cancel the CBBCs by giving notice to the Warranholders in accordance with Condition 11 – *Notices* if the CBBCs are so cancelled, the CBBC held by such Warranholder which amount shall be the fair market value of a CBBC taking into account the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 11– *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, De-Listing, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 11 – *Notices* stating the occurrence of the Merger Event, De-Listing, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, De-Listing, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying ETF ceases (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Underlying ETF:

- (1) all the ETF Units are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying ETF become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means if it is announced that there may or will be a merger or consolidation of the Underlying ETF into any other fund, other collective investment scheme or otherwise or that all or substantially all of its assets are or may be sold or transferred.

“Option Reference Source” means the options on the relevant Underlying ETF as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

- (d) *Termination or Liquidation of Trustee.* In the event of a termination or the liquidation or dissolution of the trustee of the Underlying ETF (including any successor trustee appointed from time to time) (“**Trustee**”) (in its capacity as trustee of the Underlying ETF) or the appointment of a liquidator, receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee’s undertaking, property or assets, all unexercised CBBCs will lapse and shall cease to be valid for any purpose. In the case of a termination, where a replacement Trustee is not appointed, the unexercised CBBCs will lapse and shall cease to be valid on the effective date of the termination, in the case of a voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator or receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee’s undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law.
- (e) *Other Adjustments.* Except as provided in this Condition 7 – *Adjustments*, adjustments will not be made in any other circumstances, including, without limitation:
 - (i) the payment of income distribution or ETF Units (as the case may be) by the Underlying ETF; or
 - (ii) in-kind creation of ETF Units; or
 - (iii) in-kind redemption of ETF Units.

However, the Issuer reserves the right (such right to be exercised in the Issuer’s sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the CBBCs and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantholders generally (without considering

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the circumstances of any individual Warrantheader or the tax or other consequences of such adjustment in any particular jurisdiction).

On any such adjustment, the resultant Exercise Ratio and/or Exercise Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (f) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Exercise Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Exercise Price being changed.
- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warrantheaders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 11 – *Notices* within five (5) Market Days of the adjustment being made.

8. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Structured Warrants at any price in the open market or by tender or by private treaty, whether in the capacity of a fiduciary or otherwise. Any Structured Warrants so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Structured Warrants and become the Warrantheaders of and are beneficially entitled to the Structured Warrants, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Structured Warrants held in any meeting of the Warrantheaders, unless otherwise permitted by applicable laws and requirements.

9. Meetings of Warrantheaders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warrantheaders.

Any resolutions to be passed in a meeting of the Warrantheaders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) after the Issuer's receipt at its registered office of an applicable by:

- (a) not less than one hundred (100) Warrantheaders of each series of Structured Warrants; or
- (b) at least five (5) Warrantheaders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series,

whichever is lesser, summon a meeting of the Warrantheaders.

The quorum at any such Warrantheaders' meeting for passing an Ordinary Resolution will be two (2) or more Warrantheaders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series, while the quorum for

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Structured Warrants of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Structured Warrant so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

10. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
 - (iv) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 11 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

11. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

12. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of the Issuer reorganisation undertaken by the Issuer or any other events having similar effects on the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Structured Warrants in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Structured Warrants.
- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Structured Warrants so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Structured Warrants remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Structured Warrants shall lapse and cease to be valid and the Issuer's obligations in respect of the Structured Warrants shall terminate absolutely;
 - (ii) the closing price of the Underlying ETF on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

13. Termination for Force Majeure, Hedging Disruption Event etc.

- (a) *Force Majeure, Hedging Disruption Event etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Structured Warrants has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying ETF for any reason, the Issuer may in its discretion and without obligation terminate the Structured Warrants early by giving notice to the Warrantheolders in accordance with Condition 11 – *Notices*.
- (b) *Termination.* If the Issuer terminates the Structured Warrants early pursuant to Condition 13(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantheolder in respect of each Structured Warrant held by such Warrantheolder equals to the fair market value of a Structured Warrant notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying ETF related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warrantheolders in accordance with Condition 11 – *Notices*.

14. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Warrantheolders, to create and issue further CBBCs so as to form a single series with the previous series of the Structured Warrants.

15. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warrantheolder and such Warrantheolder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965* (Act 370) (revised 2002) of Malaysia.

16. Governing Law

The Structured Warrants and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warrantheolder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(xii) Bull ELS

1. Form, Status, Title and Administration

- (a) *Form.* The Bull ELS are issued in registered form and constituted by the Deed Poll (the expression “**Bull ELS**” in this context shall, unless otherwise requires, include any further Bull ELS issued pursuant to Condition 12 – *Further Issues* below). Warranholders are entitled to the benefit of, are subject to and are deemed to have notice of all the conditions in the Deed Poll.
- (b) *Status.* The Bull ELS and the Issuer’s settlement obligation in respect of the Bull ELS will constitute the Issuer’s general and unsecured contractual obligations of the Issuer’s company and of no other person and the Bull ELS will rank equally among themselves and *pari passu* with all of the Issuer’s other present and future unsecured and subordinated obligations (save for statutorily preferred exceptions). The Issuer’s obligation under the Bull ELS is not a deposit liability nor a debt of any kind.
- (c) *Title.* Each person who is for the time being shown in the records maintained by Bursa Depository as entitled to a particular number of Bull ELS shall be treated by the Issuer and the Warrant Registrar as the holder and absolute owner of such number of Bull ELS.
- (d) *Rights.* The Bull ELS do not confer Warranholders any rights to the Underlying Shares, until and unless, the Underlying Shares have been delivered by the Issuer to the Warranholders in accordance with the Conditions. In addition, Bull ELS over foreign Underlying Shares are cash-settled and Warranholders of such Bull ELS do not have any rights to the Underlying Shares.
- (e) *Administration.* Subject to all information provided by the subscriber for the Structured Warrants to the Issuer being complete and consistent with the records of Bursa Depository, the Issuer shall within seven (7) Market Days from the date of allotment of the Structured Warrants, cause and procure the Warrant Registrar to notify Bursa Depository of the names of the Warranholders together with such particulars as may be required by Bursa Depository for the purpose of making appropriate entries in the Securities Account of the Warranholders with the applicable Structured Warrants and shall deliver to Bursa Depository the Structured Warrants Certificate registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or agreed with Bursa Depository. If, at any time, the information provided by the Warranholders for the Structured Warrants is incorrect or inaccurate or inconsistent with the records of Bursa Depository, the Issuer reserves the right, at its absolute discretion and without any obligation whatsoever to the Warranholders, to accept, reject or otherwise deal with the Structured Warrants in such manner as it reasonably deems fit in the circumstances. The Warranholders are not entitled to any physical warrant certificates

2. Rights and Expenses

- (a) *Bull ELS Rights.* The Bull ELS entitles the Warranholder the right to receive the payment by the Issuer of the Cash Settlement Amount (as defined below) or delivery of the Physical Settlement Amount depending on Condition 4 – *Automatic Exercise and Settlement* below.

The “**Cash Settlement Amount**” in respect of the Exercise Amount (as defined below) shall be an amount in cash payable in the Settlement Currency, calculated as follows less Exercise Expenses:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

$$\text{Cash Settlement Amount} = (\text{Exercise Amount} \times \text{Strike Price})$$

For the Underlying Shares which are quoted on a Securities Exchanges outside Malaysia, the Strike Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet. In the case of the Strike Price is being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warranholders.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

“**Exercise Amount**” means the number of Bull ELS held, which may only be exercised in board lots or integral multiples thereof, as specified in the relevant Term Sheet. One (1) board lot comprises one hundred (100) Structured Warrants.

“**Exercise Expenses**” means charges or expenses including taxes or duties which are incurred in respect of or in connection with the exercise of the Structured Warrants. Such expenses shall include without limitation any transaction fee charged by Bursa Depository, stamp duty, processing fee charged by the Warrant Registrar and administrative cost.

“**Strike Price**” means in relation to a particular series of Bull ELS, the strike price is the pre-specified price as determined by the Issuer and as specified in the relevant Term Sheet.

“**Issue Price**” means such price in percentage (%) at a discount to the Strike Price which is payable by the Warranholder on the Payment Date (as defined below) and is pre-determined by the Issuer and as specified in the relevant Term Sheet.

“**Spot Price**” means the market price of the Underlying Shares on the price fixing day before the Bull ELS is issued as determined by the Issuer and as specified in the relevant Term Sheet.

“**Yield-to-maturity**” being the annualised yield during the entire holding period of the Bull ELS, calculated as set out below:

$$\text{Yield To Maturity} = \frac{(\text{Strike Price} - \text{Issue Price})}{\text{Issue Price}} \times \frac{365}{(\text{Settlement Date} - \text{Payment Date})} \times 100\%$$

“**Settlement Date**” means a Market Day and a day upon which payment is made to the Warranholder, on which commercial banks in Malaysia are open for business during the normal business hours.

“**Payment Date**” means such date to be determined by the Issuer, where the Warranholder shall make payment to the Issuer for the Subscription Amount (as defined below), and as specified in the relevant Term Sheet.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

“Subscription Amount” is the amount payable by the Warrantholder for the subscription of the Bull ELS which is calculated based on the number of Underlying Shares to be subscribed multiplied by the Issue Price as determined by the Issuer.

“Market Disruption Event” means the occurrence or existence of an event where it is not possible to obtain market prices in respect of the Underlying Shares or the Structured Warrants, which includes but is not limited to the following events:

- (i) **“Trading Disruption”**, means
 - (a) any suspension of or limitation imposed on trading by Bursa Securities or such relevant Securities Exchange, or by reason of movements in price exceeding limits permitted by Bursa Securities or such relevant Securities Exchange relating either to the Underlying Shares or the Structured Warrants; or
 - (b) the closing of Bursa Securities or such relevant Securities Exchange or a disruption to trading on Bursa Securities or such relevant Securities Exchange if that disruption occurs and/or exists, and is as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism; or
 - (ii) **“Exchange Disruption”**, means any event that disrupts or impairs the ability of market participants in general to effect transactions in or obtain market values for any share transactions on Bursa Securities or such relevant Securities Exchange; or
 - (iii) **“Early Closure”**, means closure of Bursa Securities or such relevant Securities Exchange prior to its scheduled closing time.
- (b) *Exercise Expenses.* An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount to the extent available.
- (c) *No rights.* The purchase of Structured Warrants does not entitle the Warrantholders to the delivery of any Underlying Shares, is not secured by the Underlying Shares and do not confer on the Warrantholder any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Shares or otherwise) which a holder of the Underlying Shares may have.

3. Tenure and Expiry Date

The Expiry Date of each series of Structured Warrants shall not be earlier than twenty eight (28) days and not later than two (2) years from the date of its issue and shall be specified in the Term Sheet.

Such date of expiry of a particular Bull ELS to be determined by the Issuer and as specified in the relevant Term Sheet, after which any Bull ELS which has not been automatically exercised in accordance to Condition 4(a) – *Automatic Exercise* below shall expire and all rights of the Warrantholders and the Issuer's obligations with respect to each Bull ELS shall cease. If the Expiry Date is not a Market Day, then the Expiry Date shall fall on the next succeeding Market Day.

4. Automatic Exercise and Settlement

- (a) *Automatic Exercise.* The Bull ELS will be automatically exercised at 9.00 a.m. on the Expiry Date (without the Warrantholder having to deliver a valid Exercise Notice and

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

without notice of automatic exercise being given by the Issuer to the Warrantholder) and the Issuer shall pay the Cash Settlement Amount or deliver the Physical Settlement Amount, as the case may be, to the Warrantholder in accordance with Condition 4(b) - *Settlement* below.

For the avoidance of doubt, the Warrantholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

(b) *Settlement*. The Bull ELS gives the Warrantholder the right to receive from the Issuer, on the Expiry Date, either the Cash Settlement Amount (less all Exercise Expenses) or the Physical Settlement Amount, as the case may be, as follows:

(i) if the Closing Price (as defined below) of the Underlying Shares is equal to or exceeds the Strike Price, the Warrantholder shall be entitled to the Cash Settlement Amount calculated as set out below, less all Exercise Expenses:

“**Closing Price**” in relation to the Bull ELS as specified in the relevant Term Sheet, means the closing price calculated by reference to either:

(aa) the average daily VWAP of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date; or

(bb) the average closing price of the Underlying Shares (subject to any adjustment as may be necessary to reflect any capitalisation, rights issue, distribution or others) for the five (5) Market Days prior to and including the Market Day immediately before the Expiry Date; or

(cc) the closing price of the Underlying Shares on the Market Day immediately before the Expiry Date.

If the Underlying Shares are suspended on the Expiry Date, the Closing Price shall be the last quoted price of such Underlying Shares immediately before the suspension.

$$\text{Cash Settlement Amount} = (\text{Exercise Amount} \times \text{Strike Price}) - \text{Exercise Expenses}$$

Unless there is a Settlement Disruption Event (as defined herein), the Issuer shall pay the Warrantholder the Cash Settlement Amount (if any). The aggregate Cash Settlement Amount (less Exercise Expenses) shall be paid by cheque drawn in favour of the Warrantholder or such other mode as may be approved by Bursa Securities and as determined by the Issuer no later than seven (7) Market Days following the Expiry Date. In the event the Cash Settlement Amount is paid by cheque drawn in favour of the Warrantholder, the cheque shall be delivered by ordinary post to the Warrantholder's address last recorded in the Record of Depositors at the Warrantholder's own risk.

The Cash Settlement Amount less the Exercise Expenses shall be calculated and be payable in the Settlement Currency and rounded down to the nearest two (2) decimal points of the Relevant Currency. The amount of such Cash

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Settlement Amount shall be final and conclusive and the Issuer shall be discharged from its obligation upon making such payment in accordance with these Conditions.

The Issuer shall not allow the Warrantholder to exercise the Structured Warrants unless the Structured Warrants are or have been designated as “free securities” in accordance with the Rules of Bursa Depository.

For the Underlying Shares which are quoted on a Securities Exchange outside Malaysia, the Strike Price may be quoted in a currency other than RM, as specified in the relevant Term Sheet. In the case of the Strike Price is being quoted in a currency other than RM (as specified in the relevant Term Sheet), the Cash Settlement Amount shall be payable in the Settlement Currency, converted at the prevailing exchange rate as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate prior to payment of the Cash Settlement Amount to the Warranholders.

- (ii) If the Closing Price of the Underlying Shares is below the Strike Price, the Warranholders shall be entitled to the Physical Settlement Amount on the Expiry Date.

If a books closure date has been declared by the Underlying Company and trading in the Underlying Shares is on a “cum-entitlement” basis on the Expiry Date, the Underlying Shares to be delivered by the Issuer to the Warrantholder upon the Automatic Exercise of the Bull ELS (set out in Condition 4(a) – *Automatic Exercise* above) shall also be on a “cum-entitlement” basis.

Unless there is a Settlement Disruption Event (as described herein), the Issuer shall deliver the Physical Settlement Amount by crediting the relevant number of the Underlying Shares in respect of the number of Bull ELS held by the Warrantholder to the Warrantholder’s securities accounts, and despatch the notice of transfer to the Warrantholder within seven (7) Market Days from the Expiry Date or such other period as may be prescribed by Bursa Securities or such other relevant authority.

The Issuer shall be discharged from its obligation to deliver the relevant Underlying Shares to the Warranholders upon despatching of the odd lots (if any) to the Warranholders in accordance with these Conditions.

In the event the Issuer is unable to deliver the Underlying Shares, the Issuer shall pay the Warranholders the Cash Settlement Amount for the Bull ELS calculated as set out below in the Settlement Currency, less Exercise Expenses:

$$\text{Cash Settlement Amount} = (\text{Exercise Amount} \times \text{Closing Price}) - \text{Exercise Expenses}$$

The events that would result in the Issuer being unable to deliver the Underlying Shares are the liquidation, dissolution or winding-up of the Underlying Company, or the Underlying Shares are suspended or have been delisted on the Expiry Date. Upon the occurrence of any of these events, the

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Issuer will make the necessary announcement prior to the Expiry Date, that the Bull ELS shall be cash-settled.

If the Warranholders are entitled to receive odd lots of the Underlying Shares upon the settlement of the Bull ELS on the Settlement Date, the Issuer shall pay the Warranholders cash in place of the odd lots.

For the avoidance of doubt, the Warranholder shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

- (c) *Settlement Disruption.* The Issuer's ability to determine and deliver the Cash Settlement Amount or the Physical Settlement Amount (as the case may be) is affected by the occurrence a Settlement Disruption Event.

"Settlement Disruption Event" refers to the occurrence of any one of the following events:

- (i) when the Issuer experiences technical difficulties in the course of processing a valid exercise of the Structured Warrants; or
- (ii) any other events beyond the Issuer's control which results in:
 - (aa) the inability to procure transfer of funds electronically to a designated bank account for the purpose of payment of the Cash Settlement Amount or the cash settlement for odd lots; or
 - (bb) the inability to obtain market price or exchange rate for the purpose of calculating the Cash Settlement Amount or the cash equivalent of Physical Settlement Amount due to any reasons, including a Market Disruption Event; or
 - (cc) the principal clearing and settlement system of dealing in the Underlying Shares being unable to settle payments or is unable to clear transfers of the Underlying Shares; or
 - (dd) where the Underlying Shares denominated in the Relevant Currency, the inability to convert proceeds from the settlement of any of the Underlying Shares traded into the Settlement Currency or inability to obtain exchange rate for the Relevant Currency.

If as a result of a Settlement Disruption Event, it is not possible for the Issuer to make payment on the original Settlement Date, the Issuer shall use its reasonable endeavours to procure payment as soon as practicable after the original Settlement Date. The Issuer shall not be liable to the Warranholders for any interest in respect of the amount due or any loss or damages that such Warranholders may suffer as a result of the existence of a Settlement Disruption Event.

- (d) *Notification on Expiry.* The Issuer shall notify the Warranholders of the Expiry Date at least two (2) weeks prior to the Expiry Date for Structured Warrants with a tenure of twenty eight (28) days but not more than six (6) months and at least one (1) month prior to the Expiry Date for Structured Warrants with more than six (6) months' tenure or such other period as may be specified by the relevant authority. Such notice shall be given in accordance with Condition 9 – *Notices* stating the Expiry Date and treatment of the Structured Warrants which are not exercised.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

5. Adjustments

(a) Following the declaration by an Underlying Company of the terms of any Potential Adjustment Event (as defined herein), the Issuer will determine whether such a Potential Adjustment Event has a dilutive, concentrative or other effect on the theoretical value of the Underlying Share and, if so, the Issuer will:

- (i) make the corresponding adjustment, if any, to any one or more of the conditions of the Bull ELS as the Issuer determines appropriate to account for that dilutive or concentrative or other effect; and
- (ii) determine the effective date of that adjustment.

The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustments in respect of such a Potential Adjustment Event made by Bursa Securities and/or such relevant Securities Exchange determined by the Issuer on which the shares constituting the Underlying Shares are listed and quoted, unless otherwise specified by the Issuer.

“Potential Adjustment Event” means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Shares (unless a Merger Event (as defined herein)) or a free distribution or dividend of such Underlying Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a call by the Underlying Company in respect of relevant Underlying Shares that are not fully paid;
- (iii) a repurchase or buy-back by the Underlying Company of relevant Underlying Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (iv) a rights issue or bonus issue of the Underlying Shares;
- (v) a capital repayment in cash whether in the form of a special dividend or otherwise pursuant to the Act; or
- (vi) any other event which may have, in the Issuer’s opinion a dilutive or concentrative or other effect on the theoretical value of relevant Underlying Shares.

(b) The respective formula for the relevant Potential Adjustment Event are as follows:

- (i) *Subdivisions or Consolidations.* If and whenever the Underlying Company shall subdivide its Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a greater number of shares (“**Subdivision**”) or consolidate the Underlying Shares or any class of its outstanding share capital comprised of the Underlying Shares into a smaller number of shares (“**Consolidation**”), Strike Price and/or the Exercise Ratio shall be adjusted on the Market Day on which the relevant Subdivision or Consolidation shall have taken effect in accordance with the following formula:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

(i) **Adjusted Exercise Ratio =**

$$E \times \frac{P}{N}$$

(ii) **Adjusted Exercise Price =**

$$X \times \frac{P}{N}$$

Where:

X: Existing Strike Price immediately prior to the Subdivision or Consolidation

N: The revised number of issued shares after the Subdivision or Consolidation.

P: The existing number of issued shares immediately prior to the Subdivision or Consolidation.

E: Existing Exercise Ratio immediately prior to the Subdivision or Consolidation.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Strike Price as the Issuer determine appropriate to account for the dilutive or consolidative effect of the Subdivision or Consolidation.

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

(ii) *Rights Issue.* If and whenever the Underlying Company shall, by way of Rights (as defined below), offer new shares for subscription at a fixed subscription price to the holders of existing Underlying Shares pro rata to existing holdings ("**Rights Issue**"), the Exercise Ratio and/or the Strike Price will be adjusted to take effect on the Market Day immediately following the last day on which an instrument or transfer of such shares could be lodged so that the transferee of the share(s) would qualify for the Rights Issue in accordance with the following formulas:

(i) **Adjusted Exercise Ratio =**
$$\frac{E}{\text{Adjustment Factor}}$$

(ii) **Adjusted Strike Price =**
$$\frac{X}{\text{Adjustment Factor}}$$

Where:

$$\text{Adjustment Factor} = \frac{1 + M}{1 + (R/S) \times M}$$

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- E: Existing Exercise Ratio immediately prior to the Rights Issue.
- X: Existing Strike Price immediately prior to the Rights Issue.
- S: Cum-rights share price determined by the closing price on the Securities Exchange on the last Market Day on which the Underlying Shares are traded on a cum-rights basis.
- R: Subscription price per Underlying Share as specified in the Rights Issue plus an amount equal to any dividends or other benefits foregone to exercise the Rights.
- M: Number of new Underlying Shares (whether a whole or a fraction) per existing Underlying Share each holder thereof is entitled to subscribe.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Strike Price as the Issuer determine appropriate to account for the dilutive effect of the Rights Issue.

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“**Rights**” means the Right(s) attached to each existing Underlying Share or needed to acquire one new Underlying Share (as the case may be) which are given to the holders of existing Underlying Shares to subscribe at a fixed subscription price for new Underlying Shares pursuant to the Rights Issue (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

- (iii) *Bonus Issue.* If and whenever the Underlying Company shall make a new issue of shares credited as fully paid to the holders of the Underlying Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Underlying Company or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (“**Bonus Issue**”), the Exercise Ratio and/or Strike Price will be adjusted on the Market Day immediately following the last day on which an instrument of transfer could be lodged so that the transferee of the share(s) would qualify for the Bonus Issue in accordance with the following formulas:

$$(i) \quad \text{Adjusted Exercise Ratio} = \frac{E}{\text{Adjustment Factor}}$$
$$(ii) \quad \text{Adjusted Strike Price} = \frac{X}{\text{Adjustment Factor}}$$

Where:

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

$$\text{Adjustment Factor} = 1 + N$$

- E: Existing Exercise Ratio immediately prior to the Bonus Issue.
- X: Existing Strike Price immediately prior to the Bonus Issue.
- N: Number of additional Underlying Shares (whether a whole or a fraction) received by a holder of existing Underlying Shares for each Underlying Share held prior to the Bonus Issue.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Strike Price as the Issuer determine appropriate to account for the dilutive effect of the Bonus Issue.

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (iv) *Capital Repayment.* If the Underlying Company of the relevant Structured Warrants undertakes a capital repayment in cash whether in the form of special dividend or otherwise (pursuant to the Act or such other corresponding provision in the relevant country in which the Underlying Shares are listed and quoted) during the tenure of the Structured Warrants, the Exercise Ratio and/or the Strike Price of the Structured Warrants shall be adjusted on the Market Day following the last day on which an instrument of transfer is lodged to enable the transferee of the Underlying Shares to qualify for the capital repayment by the amount of the capital repayment, net of taxation, if any.

The Exercise Ratio and/or Strike Price for the Structured Warrants shall be adjusted in accordance with the following formula:

- (i) **Adjusted Exercise Ratio =**

$$E \quad \times \quad \frac{(P-D)}{P}$$

- (ii) **Adjusted Strike Price =**

$$Y \quad \times \quad \frac{(P-D)}{P}$$

Where:

- P: Closing price of the Underlying Shares on the last Market Day on which the Underlying Shares are traded on a cum-entitlement basis
- D: The capital repayment/special dividend per one (1) Underlying Share held.
- Y: Existing Strike Price immediately prior to the capital repayment/special dividend.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

E: Existing Exercise Ratio immediately prior to the capital repayment/special dividend.

Alternatively, the Issuer may also, at its absolute discretion, make a corresponding adjustment to the Exercise Ratio and/or Strike Price as the Issuer determines appropriate to account for the dilutive effect of the capital repayment/special dividend.

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

Notwithstanding the above, if a capital repayment undertaken by the relevant Underlying Company results in a significant change in the business of such Underlying Company or such other circumstances as the Issuer may determine, the Issuer reserves the right, at its sole and absolute discretion and without obligation whatsoever, to terminate the Structured Warrants, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Structured Warrant held by such Warranholder if the Cash Settlement Amount after deducting all Exercise Expenses, is greater than zero (without the Warranholder having to deliver a valid exercise form). The Cash Settlement Amount shall be determined based on the fair market value of the Structured Warrants (as determined by the Issuer) after taking into account the capital repayment exercise less all Exercise Expenses, as determined by the Issuer at its absolute discretion.

- (c) *Extraordinary Events.* If a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency (as defined below) or such other additional disruption event occurs in relation to the relevant Underlying Shares, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any to be made to any one or more of the Conditions to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be and determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event made by the Securities Exchange;
 - (ii) cancel the Bull ELS by giving notice to the Warranholders in accordance with Condition 9 – *Notices* if the Structured Warrants are so cancelled, the Structured Warrants held by such Warranholders which amount shall be the fair market value of the Structured Warrants taking into account the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, less the cost to the Issuer and/or any of its related corporations of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*; or
 - (iii) if there is an adjustment to the settlement terms of the Option Reference Source (as defined below), the Issuer may make a corresponding adjustment

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

to any one or more of the Conditions. Such adjustment shall be effective as of the date determined by the Issuer as the effective date of the corresponding adjustment made as a result of adjustment made by the Option Reference Source in order to account for the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be.

Once the Issuer determines its proposed course of action in connection with a Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, the Issuer shall give notice to the Warranholders in accordance with Condition 9 – *Notices* stating the occurrence of the Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Warranholders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of Merger Event, Take-Over Offer, De-Listing, Nationalisation, Insolvency or such other additional disruption event.

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

For the purpose of these Conditions,

“De-Listing” means the Securities Exchange announces that pursuant to the rules of such Securities Exchange, such Underlying Shares cease (or will cease) to be listed, traded or publicly quoted on the Securities Exchange for any reason (other than a Merger Event or Take-Over Offer) and is not immediately re-listed, re-traded or re-quoted on a Securities Exchange, trading system or quotation system acceptable to the Issuer.

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting an Underlying Company:

- (1) all the Underlying Shares of that Underlying Company are required to be transferred to a trustee, liquidator or other similar official; or
- (2) holders of the Underlying Shares of that Underlying Company become legally prohibited from transferring them.

“Merger Date” means the closing date of a Merger Event (as defined below) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer.

“Merger Event” means, in respect of any relevant Underlying Shares, any:

- (1) reclassification or change of such Underlying Shares that results in a transfer or an irrevocable commitment to transfer all of such Underlying Shares outstanding to another entity or person; or
- (2) consolidation, amalgamation, merger or binding share exchange of an Underlying Company with or into another entity or person by way of scheme of arrangement or otherwise (other than a consolidation, amalgamation, merger or binding share exchange by way of scheme of arrangement or

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

otherwise in which such Underlying Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Shares outstanding); or

- (3) Take-Over Offer (as defined below), exchange offer, solicitation, proposal or other event by any entity or person by way of scheme of arrangement or otherwise to purchase or otherwise obtain one hundred percent (100%) of the outstanding Underlying Shares of the Underlying Company that results in a transfer or an irrevocable commitment to transfer all such Shares (other than such Underlying Shares owned or controlled by such other entity or person); or
- (4) consolidation, amalgamation, merger or binding share exchange of the Underlying Company or its subsidiaries with or into another entity by way of scheme of arrangement or otherwise in which the Underlying Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Shares outstanding, results in the outstanding Underlying Shares (other than Underlying Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than fifty percent (50%) of the outstanding Underlying Shares immediately following such event, in each case if the Merger Date is on or before the Valuation Date or, if there is more than one Valuation Date, the final Valuation Date.

“Nationalisation” means that all the Underlying Shares or all or substantially all of the assets of an Underlying Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“Option Reference Source” means the options on the relevant Underlying Shares as traded on such Securities Exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select.

“Take-over Offer” means a take-over offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than ten percent (10%) and less than one hundred percent (100%) of the outstanding voting shares of the Underlying Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deem relevant.

- (d) *Other Adjustments.* Except as provided in this Condition 5 – *Adjustments*, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer’s sole and unfettered discretion and without any obligation whatsoever) to make such adjustments as the Issuer believes appropriate in circumstances where an event or events occur which the Issuer believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Bull ELS and its obligation, give rise to such adjustment is considered by the Issuer not to be materially prejudicial to the Warrantholders generally (without considering the circumstances of any individual Warrantholder or the tax or other consequences of such adjustment in any particular jurisdiction).

On any such adjustment, the resultant Exercise Ratio and/or Strike Price shall be rounded to the nearest four (4) decimal points of the Relevant Currency and all such

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

adjustment made by the Issuer pursuant to this Condition shall be deemed as final and conclusive save for any manifest error.

- (e) Notwithstanding the foregoing, no adjustments shall be made to the Exercise Ratio and/or Strike Price if the formula stated in this Condition 5 – *Adjustments* results in an adjustment which would amount to less than two percent (2%) of the Exercise Ratio and/or Strike Price being changed.
- (f) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Warranholders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9 – *Notices* within five (5) Market Days of the adjustment being made

6. Buy-backs and Cancellation

The Issuer and/or any of its subsidiaries or related corporations may at any time purchase or buy-back Bull ELS at any price in the open market or by tender or by private treaty, whether as a fiduciary or otherwise. Any Bull ELS so purchased may be held or resold or surrendered for cancellation.

If pursuant to this Condition, the Issuer and/or any of its subsidiaries or related corporations purchase or buy-back any of the Bull ELS and become the Warranholders of and are beneficially entitled to the Bull ELS, the Issuer and/or any of its subsidiaries or related corporations shall not exercise the voting rights with respect to the Bull ELS held in any meeting of the Warranholders, unless otherwise permitted by applicable laws or requirements.

7. Meetings of Warranholders

The Third Schedule of the Deed Poll contains conditions for convening meetings of the Warranholders.

Any resolutions to be passed in a meeting of the Warranholders shall be first decided by a show of hands unless a poll is demanded in accordance to the Deed Poll.

The Issuer shall within twenty one (21) days after the Issuer's receipt at its registered office of an application by:

- (a) not less than one hundred (100) Warranholders of each series of Bull ELS; or
- (b) at least five (5) Warranholders of each series of Bull ELS holding in aggregate not less than one-tenth (1/10) in number of outstanding Bull ELS of each series,

whichever is the lesser, summon a meeting of the Warranholders.

The quorum at any such meeting for passing an Ordinary Resolution will be two (2) or more Warranholders or proxies holding an aggregate of not less than one-tenth (1/10) in number of outstanding Bull ELS of each series, while the quorum for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding an aggregate more than fifty percent (50%) in number of outstanding Bull ELS of each series, or at any adjourned meeting two (2) or more Warranholders or proxies whatever the number of Bull ELS so held or represented.

A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Bull ELS duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast. A resolution will be an Ordinary Resolution if passed at a meeting of

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast.

8. Modification of rights

- (a) All or any of the rights for the time being attached to the Structured Warrants (other than the Exercise Price which a Warranholder is entitled to or the formula for the adjustment of the Exercise Price or the Exercise Ratio or any other condition, which may be modified in accordance with the provisions as set out in these Conditions) may be altered or abrogated by the Issuer from time to time (whether or not the Issuer is being wound up), and the sanction of a Special Resolution passed at a meeting of the Warranholders held as aforesaid shall be necessary to effect such alteration or abrogation.
- (b) Notwithstanding the above, the Issuer may without the consent of the Warranholders but in accordance with the terms of the Deed Poll, effect any modification to the Structured Warrants or the Deed Poll which, in the opinion of the Issuer, is:
 - (i) not materially prejudicial to the interests of the Warranholders; or
 - (ii) of a formal, minor or technical nature; or
 - (iii) necessary or expedient to correct a manifest error, or to comply with mandatory provisions of law or rules or regulations; or
 - (vi) necessary or expedient to facilitate scripless trading in or exercise of the Structured Warrants or payment by way of electronic funds transfer as approved by the relevant government or statutory authorities in respect of the Structured Warrants to comply with the requirements of or the concessions granted by any relevant government or statutory authorities.

Any such modification shall be binding on all Warranholders and shall be notified by the Issuer to them as soon as practicable thereafter in accordance with Condition 9 – *Notices* but in any event not later than twenty (20) Market Days from the date of such modification.

9. Notices

All notices to the Warranholders will be made by way of either an announcement to Bursa Securities or a notice published in a nationally circulated English daily newspaper. If at any time any announcement to Bursa Securities or publication in such newspaper is not practicable, the notice may be given in such other manner as the Issuer may deem fit from time to time.

A notice is deemed to have been given and served on the date of announcement or publication as the case may be or, if announced or published more than once or on different dates, on the first date on which it is announced or published.

All notices effected in accordance with this Condition shall be deemed to be effective in respect of all persons who become Warranholders after the date the relevant notice is announced or published, as the case may be.

10. Take-Over, Merger, Liquidation, Dissolution or Winding-Up of the Issuer

- (a) In the event of a take-over or a scheme of arrangement or any other form of reorganisation undertaken by the Issuer or any other events having similar effects on

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the rights of the Warranholders, the Issuer reserves the right in its sole discretion and without any obligation whatsoever to deal with the Bull ELS in such manner as the Issuer reasonably deem fit in the circumstances and with or without adjustments to the rights attaching to the relevant Bull ELS.

- (b) In the event of the Issuer's merger, amalgamation or reconstruction, the corporation, trust or other body into which the Issuer is merged, amalgamated, or reconstructed shall assume all the Issuer's liabilities and obligations in respect of the Bull ELS so that the rights of the Warranholders shall continue to exist and be enforceable to the same extent as provided by the Issuer under the Deed Poll.
- (c) In the event of the Issuer's liquidation, dissolution or winding-up or the appointment of a receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Issuer's undertaking, property or assets, the Bull ELS remaining outstanding shall be deemed to be exercised on the Market Day immediately prior to the date of such liquidation, dissolution, winding-up or appointment as follows:
 - (i) all unexercised Structured Warrants shall automatically be exercised without the Warranholders having to deliver a valid Exercise Notice and without notice of automatic exercise being given by the Issuer to the Warranholders:
 - (aa) if the Cash Settlement Amount after deducting all the Exercise Expenses is greater than zero, the Issuer shall make payment of the Cash Settlement Amount to the relevant Warranholder; or
 - (bb) if the Cash Settlement Amount after deducting all the Exercise Expenses is equal to or less than zero, the Issuer is not obligated to make any payment to the relevant Warranholder, and the relevant Bull ELS shall lapse and cease to be valid and the Issuer's obligations in respect of the Bull ELS shall terminate absolutely;
 - (ii) the closing price of the Underlying Shares on the Market Day immediately before the above events shall form the Closing Price for the calculation of the Cash Settlement Amount.

For the avoidance of doubt, the Warranholders shall not be required to pay or top up the Exercise Expenses as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses is equal to or less than zero.

Notwithstanding the foregoing, if in the Issuer's absolute discretion, there is a Market Disruption Event on the date immediately before the above events ("**Set Date**"), the Closing Price shall be based on the Market Day immediately preceding the Market Disruption Event. If the preceding Market Day is also affected by the Market Disruption Event, then the Closing Price shall be determined by the Issuer on the Set Date at its absolute discretion and on the basis of its good faith estimate the reference price and/or the exchange rate (if applicable) for that Set Date by determining the price of the Underlying Shares and/or the exchange rate (if applicable) based on the prevailing market conditions and other factors as the Issuer may consider relevant.

11. Termination for Force Majeure, etc.

- (a) *Force Majeure, etc.* If the Issuer in its absolute discretion determines that, for reasons beyond the Issuer's control, the performance of the Issuer's obligations under the Bull ELS has become illegal or impractical in whole or in part for any reason, or the Issuer in its absolute discretion determines that, for reasons beyond

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

the Issuer's control, it is no longer legal or practical for the Issuer to maintain its hedging arrangement with respect to the Underlying Shares for any reason, the Issuer may in its discretion and without obligation terminate the Bull ELS early by giving notice to the Warranholders in accordance with Condition 9 – *Notices*.

- (b) *Termination*. If the Issuer terminates the Bull ELS early pursuant to Condition 11(a), then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warranholder in respect of each Bull ELS held by such Warranholder equals to the fair market value of a Bull ELS notwithstanding such illegality or impracticality less the cost to the Issuer of unwinding any Underlying Shares related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Warranholders in accordance with Condition 9 – *Notices*.

12. Further Issues

The Deed Poll allows the Issuer to create and issue further Structured Warrants in respect of the same series of Structured Warrants under this Base Prospectus ("**Further Issue**") without the consent or sanction of the existing Warranholders. The Further Issue will form part of the existing Structured Warrants in issue ("**Existing Issue**").

13. Claims

In the event that the Issuer makes the Cash Settlement Amount upon a valid exercise of Structured Warrants by a Warranholder and such Warranholder does not present the cheque for payment within six (6) months from the date of the cheque, the Issuer shall at any time thereafter be at liberty to deal with the said monies in accordance and in compliance with, the requirements of the *Unclaimed Moneys Act, 1965 (Act 370) (revised 2002)* of Malaysia.

14. Governing Law

The Bull ELS and the Deed Poll will be governed and construed in accordance with the laws of Malaysia. The Issuer and each Warranholder (by its purchase of the Structured Warrants) shall be deemed to have submitted for all purposes in connection with the Structured Warrants and the Deed Poll to the exclusive jurisdiction of the courts of Malaysia.

The applicable Term Sheet in relation to the issue of any series of Structured Warrants may specify additional terms and conditions which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions, replace or modify the relevant Conditions for the purpose of such series of Structured Warrants. Capitalised terms used in the relevant Conditions and not otherwise defined therein shall have the meaning given to them in the relevant Term Sheet.

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ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

THE THIRD SCHEDULE

Provisions for Meetings of Warranholders

1 Meetings of Warranholders by the Issuer

- (1) A meeting of the Warranholders may be convened by the Issuer for any of the following purposes:
 - (a) for any purpose which the Issuer may deem fit;
 - (b) to give to the Issuer such directions in relation to this Deed Poll as the meeting thinks proper; or
 - (c) for any purpose prescribed by law.
- (2) For clarity, where a meeting of Warranholders is convened for any of the purposes in Paragraph 1(1) above, separate votes shall be taken for each group of Warranholders of a series of Structured Warrants and the requisite voting majority (by Ordinary Resolution or Special Resolution, as the case may be) must be passed at each and every meeting of the Warranholders of a series of Structured Warrants before the resolutions are binding on all Warranholders.
- (3) Where a matter requiring a decision as stated in Paragraph 1(1) above only affects the Warranholders of a series of Structured Warrants, the Issuer may convene a meeting of only the Warranholders of such series of Structured Warrants. In such event, the procedure governing the convening and conduct of meetings as set out in this Third Schedule shall mutatis mutandis apply to such meetings of Warranholders of such series of Structured Warrants.
- (4) A meeting for the purpose of Paragraph 1(1) may be convened by the Issuer on its own accord.
- (5) Subject to Paragraph 2, not less than twenty one (21) days' notice (exclusive of the day on which the notice is served or deemed to be served and of the day on which the meeting is to be held) shall be given in accordance with the Conditions for any such meeting of the Warranholders and such notice shall specify the day, time and place of the meeting and the general nature of the business to be transacted. The accidental omission to give notice to or the non-receipt of notice by any Warranholder shall not invalidate any of the proceedings at any meeting.
- (6) Notice of any meeting of the Warranholders of a series shall also be for the attention of the Issuer and its financial and legal advisers shall be entitled to attend and speak at such meeting.
- (7) No one else may attend any meeting of Warranholders or join with others in requesting the convening of such a meeting unless he is a Warranholder or a Proxy.
- (8) For every meeting of the Warranholders, the Issuer shall by written request made in duplicate in the prescribed form and in accordance with the Rules of Bursa Depository, request Bursa Depository to prepare the Record of Depositors to determine the identity of the Warranholders eligible to attend and vote at such meetings. The Issuer shall inform Bursa Depository of the dates of the meeting and shall in written request made in duplicate in the prescribed form request Bursa Depository in accordance with the Rules of Bursa Depository

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

to prepare the Record of Depositors. Such Record of Depositors shall be the final record of all Depositors who shall be deemed to be the Warranholders, eligible to be present and vote at such meetings.

- (9) A meeting of the Warranholders shall be conducted in accordance with this Deed Poll or where no provision is made herein in that respect, as directed by the chairman of the meeting.

2 Summoning of Meeting on Requisition by Warranholders

- (1) A meeting of the Warranholders may be requisitioned by the Warranholders:
- (a) to give to the Issuer such directions in relation to this Deed Poll as the meeting thinks proper; or
 - (b) any purpose prescribed by law.
- (2) The Issuer shall within twenty one (21) days after its receipt at its registered office of an application by:
- (a) not less than one hundred (100) Warranholders of each series of Structured Warrants; or
 - (b) at least five (5) Warranholders of each series of Structured Warrants holding in aggregate not less than one-tenth (1/10) in number of outstanding Structured Warrants of each series of Structured Warrants,

whichever is the lesser, summon a meeting of the Warranholders for the purpose of giving to the Issuer such directions as the meeting thinks proper or for any other purpose prescribed by law. For the avoidance of doubt, the Structured Warrants as may be held by the Issuer shall not be counted for the purposes as set out in paragraphs 2(1)(a) or (b) above;

- (3) The Issuer shall summon the meeting upon requisition by the Warranholders by:
- (a) sending notice by ordinary post of the proposed meeting at least fourteen (14) days (for Ordinary Resolutions) and twenty one (21) days (for Special Resolutions) before the proposed meeting to each of the Warranholder at his address as stated in the Record of Depositors; and
 - (b) by publishing in at least one (1) English language national daily newspaper and in writing to Bursa Securities, at least fourteen (14) days (for Ordinary Resolutions) and twenty one (21) days (for Special Resolutions) before the date of the proposed meeting.
- (4) The Issuer shall hold the proposed meeting not later than two (2) months from the date of the notice and the meeting shall be held at the time and place specified in the notice under the chairmanship of:
- (a) such person as is appointed on that behalf by the Warranholders present at the meeting; or
 - (b) where no such appointment is made, a nominee of the Issuer,

and the meeting shall be conducted in accordance with the provisions contained in this Deed Poll or in so far as this Deed Poll makes no provisions, as directed by the chairman of the meeting.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (5) In the case of an equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) which he may have as a Warranholder or as a Proxy.

3 Chairman of Meeting

- (1) Notwithstanding Paragraph 2, a meeting under Paragraph 1(1) by the Issuer shall be held under the chairmanship of:
- (a) such person (who may, but need not be, a Warranholder) as is appointed on that behalf by the Issuer; or
 - (b) where no such appointment is made or where the person appointed is not present within 15 minutes after the time appointed for holding the meeting, such person as is appointed on that behalf by the Warranholders present at the meeting.
- (2) The chairman of an adjourned meeting need not be the same person as was the chairman of the original meeting.
- (3) In the case of an equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) which he may have as a Warranholder or as a Proxy.

4 Quorum

- (1) At any meeting, any two (2) or more Warranholders or proxies holding in the aggregate not less than one-tenth (1/10) in number of Structured Warrants in the particular series of Structured Warrants, for the time being outstanding shall (except for the purpose of passing a Special Resolution) form a quorum for the transaction of business and no business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business provided always that the quorum at any meeting for passing a Special Resolution shall be two (2) or more Warranholders or proxies holding in the aggregate more than fifty per cent (50%) in number of Structured Warrants in the particular series of Structured Warrants, for the time being outstanding.
- (2) If a quorum is not present within 15 minutes from the time fixed for the meeting, the meeting shall, if convened upon the requisition of Warranholders, be dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place (or to such other day being not less than seven (7) days nor more than twenty one (21) days and at such other time and place as the chairman may decide). At such adjourned meeting, two (2) or more Warranholders or proxies (whatever the number of Structured Warrants, in the particular series of Structured Warrants, held by them) present shall form a quorum for the transaction of business and may pass any resolution and decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had a quorum been present at such meeting.

5 Adjournment

- (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting for a period not exceeding one (1) calendar year from time to time and from place to place but no business shall be transacted at the adjourned meeting other than business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and subject to Paragraph 5(2), it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

- (2) At least seven (7) days' notice of any meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and such notice shall state the quorum required at such adjourned meeting.

6 Decision by Show of Hands and by Poll

- (1) Every question arising at any meeting shall be decided in the first instance by a show of hands unless a poll be demanded by any of the persons described in Paragraph 6(3).
- (2) A poll may be demanded before or immediately after any question is put to a show of hands.
- (3) A poll may be demanded by:
- (a) the chairman of the meeting;
 - (b) the Issuer;
 - (c) at least five (5) Warranholders in the particular series of Structured Warrants present in person or by Proxy; or
 - (d) Warranholder(s) holding (or representing by Proxy) between them not less than one-tenth (1/10) of the total number of the Structured Warrants in the particular series of Structured Warrants, for the time being outstanding.

Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- (4) If a poll is duly demanded, it shall be taken in such manner as the chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- (5) A poll demanded on the election of a chairman or on a question of an adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such other time and place as the chairman directs. A demand for a poll may be withdrawn at any time.
- (6) Subject as aforesaid, the demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (7) At any meeting, on a show of hands every person who is present in person and who is a Warranholder or a Proxy shall have one (1) vote and on a poll every Holder who is present in person or by Proxy shall have one (1) vote in respect of each Structured Warrant he holds.
- (8) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose, seniority shall be determined by the order in which the names stand in the Record of Depositors.
- (9) Every Warranholder may vote personally or by Proxy. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at the meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (*Cont'd*)

- (10) Any Structured Warrants with respect to which an Exercise Date has occurred shall not confer the right to attend or vote at, or join in convening, or be counted in the quorum, for any meeting of the Warranholders.

7 Proxy

- (1) A Warranholder may subject to Paragraph 7(2), by an instrument in writing (a "**Form of proxy**") in the form available from the registered office of the Issuer and the Warrant Registrar in the English language signed by the Warranholder or in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any person (a "**Proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Warranholders. A person appointed to act as a Proxy may, but need not be, a Warranholder.
- (2) The Form of proxy shall be duly stamped (if required) and shall be deposited together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority at the registered office of the Issuer (or at such other place within Malaysia as is specified for that purposed in the notice convening the meeting) not less than forty eight (48) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which the person named in the Form of proxy proposes to vote and in default the Form of proxy shall not be treated as valid.
- (3) Any Proxy appointed pursuant to this Paragraph 7 shall so long as such appointment remains in force be deemed, for all purposes in connection with any meeting or proposed meeting of the Warranholders specified in such appointment, to be the holder of the Structured Warrants to which such appointment relates and the Warranholder shall be deemed for such purposes not to be the holder.
- (4) A vote given in accordance with the terms of a Form of proxy shall be valid notwithstanding:
- (a) the previous death or unsoundness of mind of the principal;
 - (b) the revocation of the Form of proxy or of the power of attorney or other authority under which the Form of proxy was executed; or
 - (c) the sale of the Structured Warrants in respect of which the Form of proxy is given,

if no intimation in writing of such death, unsoundness of mind, revocation or sale has been received at the place so appointed for the deposit of the Form of proxy or at the registered office of the Issuer (if no such place is appointed) before the commencement of the meeting or the adjourned meeting at which the Form of proxy is used.

8 Resolutions

- (1) Any resolution passed at a meeting of the Warranholders in accordance to Paragraph 1(2) shall be binding upon all the Warranholders whether present or not at the meeting, and whether or not voting and each of them shall be bound to give effect thereto accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. The Warranholders and the Issuer shall, subject to the provisions relating to indemnity and assurance of payment contained in this Deed Poll, also be bound to give effect thereto accordingly.
- (2) A resolution will be a Special Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of at least seventy five percent (75%) of the votes cast upon a show of hands or, if a poll is duly demanded, by a majority consisting of at least seventy five percent (75%) of the votes cast on a poll. A resolution will

ANNEXURE I PRINCIPAL TERMS OF DEED POLL (Cont'd)

be an Ordinary Resolution if passed at a meeting of Warranholders of a series of Structured Warrants duly convened by a majority consisting of more than fifty percent (50%) of the votes cast upon a show of hands or, if a poll is duly demanded, by a majority consisting of more than fifty percent (50%) of the votes cast on a poll.

- (3) A resolution in writing signed by or on behalf of the Warranholders of a series of Structured Warrants holding in aggregate at least 75% or, as the case may be, more than 50%, of the number of the series of Structured Warrants remaining outstanding shall for all purposes of these presents to be as valid and effective as a Special Resolution or as the case may be, Ordinary Resolution passed at a meeting of the Warranholders of the series of Structured Warrants duly convened and held in accordance with the provisions herein contained. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Warranholders of a series of Structured Warrants.

9 Powers Exercisable by Special Resolutions

A meeting of the Warranholders shall in addition to any other powers, but without prejudice to any powers conferred on other persons, have the following powers exercisable by Special Resolution:

- (a) to waive or authorise any breach or proposed breach by the Issuer of any of the provisions of this Deed Poll or the Conditions or any act or omission which would or might otherwise on its own or together with any other act or omission constitute an Event of Default;
- (b) to assent to any modification or abrogation of the provisions contained in this Deed Poll or the Conditions which may be proposed to and/or agreed to by the Issuer;
- (c) to appoint any persons (whether Warranholders or not) as a committee to represent the interests of the Warranholders and to confer upon such committee any powers or discretions which the Warranholders could themselves exercise by Special Resolution; and
- (d) to give any sanction approval direction or request which under any of the provisions of this Deed Poll or by law is required to be given by Special Resolution.

10 Minutes

Minutes of all resolutions and proceedings at every meeting of the Warranholders shall be made and entered in the books to be from time to time provided for that purpose by the Issuer and any such minutes, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding meeting of the Warranholders, shall be conclusive evidence of the matters contained in them and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

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