

A multi-currency Additional Tier 1 capital securities programme for the issuance of Basel III-compliant Additional Tier 1 capital securities (“Capital Securities”) of up to RM1.0 billion or its equivalent in other currencies in nominal value (“AT1 Programme”)

1.03 Details of Facility / Programme

(1) **Name of facility/programme** : A multi-currency Additional Tier 1 capital securities programme for the issuance of Basel-III compliant Additional Tier 1 capital securities (“**Capital Securities**”) of up to RM1.0 billion (or its equivalent in other currencies) in nominal value thereunder (“**AT1 Programme**”).

(2) **One-time issue or programme** :

☐	One-time issue
☒	Programme

(3) **Type of issuance under the facility/programme** :

☒	Corporate Bonds
☒	ASEAN Corporate Bonds
☒	ASEAN Sustainability-Linked Corporate Bonds

(4) **For ASEAN Corporate Bonds/Sukuk, to state whether the corporate bonds/sukuk to be issued are –** :

☒	ASEAN Green Corporate Bonds/Sukuk
☒	ASEAN Social Corporate Bonds/Sukuk
☒	ASEAN Sustainability Corporate Bonds/Sukuk
☐	Not applicable

(5) **Facility description (for ringgit-denominated sukuk, to provide description as cleared by the SC)** :

AT1 Programme for the issuance of Capital Securities.

The Capital Securities are intended to qualify as Additional Tier 1 capital for the Issuer pursuant to the *Capital Adequacy Framework (Capital Components)* issued by Bank Negara Malaysia (“**BNM**”) on 14 June 2024 and as updated from time to time (“**CA Framework**”), and to qualify as the consolidated Additional Tier 1 capital of Hong Leong Financial Group Berhad (“**HLFG**”) under the CA Framework.

The AT1 Programme shall allow the Issuer to issue Capital Securities which are in compliance with any one or more of the following guidelines, frameworks, principles or standards, as amended or modified or revised or substituted from time to time (referred to collectively or in part, the “**Sustainability Frameworks**”):

- (1) the ASEAN Green Bond Standards issued by the ASEAN Capital Markets Forum (“**ACMF**”);
- (2) the Green Bond Principles issued by the

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International Capital Market Association (“ICMA”);

- (3) the ASEAN Social Bond Standards issued by the ACMF;
- (4) the Social Bond Principles issued by the ICMA;
- (5) the ASEAN Sustainability Bond Standards issued by the ACMF;
- (6) the Sustainability Bond Principles issued by the ICMA;
- (7) the ASEAN Sustainability-Linked Bond Standards issued by the ACMF;
- (8) the Sustainability-Linked Bond Principles issued by the ICMA; and/or
- (9) such other guidelines, frameworks, principles or standards in relation to green bonds, social bonds, sustainability bonds or sustainability-linked bonds which may be incorporated by the Securities Commission Malaysia (“SC”) into the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC on 9 March 2015 and revised on 5 February 2024 (as amended or modified or revised or substituted from time to time) (“**Guidelines on LOLA Framework**”) from time to time or such other guidelines, frameworks, principles or standards, whether or not having the force of law, in relation to green bonds, social bonds, sustainability bonds or sustainability-linked bonds as may be issued from time to time.

Any Capital Securities that are issued in compliance with the Sustainability Frameworks shall be referred to as “**Sustainability Capital Securities**”.

All references to the Capital Securities shall include the Sustainability Capital Securities, unless otherwise specified.

In the event the Issuer proposes to issue the Sustainability Capital Securities in compliance with the relevant Sustainability Frameworks in relation to social bonds, sustainability bonds or sustainability-linked bonds, the Issuer shall ensure that:

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- (1) the relevant requirements under the Guidelines on LOLA Framework, if required; and
- (2) where applicable, the requirements under the Sustainability Frameworks in relation to social bonds, sustainability bonds or sustainability-linked bonds, if required,

are complied with and that the relevant Transaction Documents (as defined herein) have been amended to cater for the issuances of the Sustainability Capital Securities in compliance with the relevant Sustainability Frameworks in relation to social bonds, sustainability bonds or sustainability-linked bonds, if required.

The relevant Sustainability Frameworks under which the relevant Sustainability Capital Securities are issued and the naming of such Sustainability Capital Securities shall be specified in the relevant marketing and issuance documents in relation to the issuance of such Sustainability Capital Securities.

The holders of the Capital Securities (“**Bondholders**”) shall, via the trust deed in relation to the AT1 Programme (“**Trust Deed**”), provide their upfront consent and be deemed to have consented to the relevant revision to the principal terms and conditions of the AT1 Programme relating to the issuance of the Sustainability Capital Securities by the Issuer, and no further consent is required from the Bondholders, the Bond Trustee or any other party under the AT1 Programme. For the avoidance of doubt, the Issuer will still need to obtain the required consent for other revisions or amendments in accordance with the relevant Transaction Documents.

(6)	Currency	:	☐	Foreign Currency	
			☐	Multi-currency excluding Ringgit Malaysia	
			☒	Multi-currency including Ringgit Malaysia	
			☐	Ringgit Malaysia	

(7)	Expected facility/ programme size	:	☒	Up to	MYR1,000,000,000.00
			☐	Combined limit with	Not applicable
			☐	Sub-limit of	Not applicable

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- (8) Option to upsize (for programme) :
- | | |
|-------------------------------------|-----|
| ☒ | Yes |
| ☐ | No |

Additional Notes:

The Issuer shall have the option to upsize the AT1 Programme limit provided that (a) there is no adverse impact on the rating of the AT1 Programme, if rating requirements are applicable; and (b) the relevant regulatory approvals have been obtained (including but not limited to the approval from BNM). For the avoidance of doubt, no consent from the existing Bondholders at that time is required for purposes of upsizing the programme limit.

- (9) Tenure of the facility/ programme : Perpetual.

- (10) Availability period for debt/sukuk programme : The AT1 Programme shall be available for issuance upon fulfillment of (or waiver of) all relevant conditions precedent to the satisfaction of the Lead Arranger and for so long as the AT1 Programme subsists.

The first issuance of the Capital Securities shall be within ninety (90) business days from the date of lodgement of the lodgement kit with the SC for the launching of the Capital Securities under the AT1 Programme (“**Lodgement Kit**”) or such other timeframe as may be imposed by the SC.

- (11) Clearing and settlement platform : BNM and/or any other relevant clearing system.

- (12) Mode of issue :
- | | |
|-------------------------------------|--------------------------|
| ☒ | Private/direct placement |
| ☒ | Bought deal |
| ☒ | Book building |
| ☐ | Tender |

Additional Notes:

Each tranche of Capital Securities may be issued via private placement on a best efforts basis, or on a bought deal basis, or book running on a best efforts basis, without prospectus. Issuance of the Capital Securities shall be in accordance with the:

- (i) Participation Rules for Payments and Securities

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Services issued by BNM or its successor-in-title or successor in such capacity (as amended and/or substituted from time to time); and

- (ii) Operational Procedures for Securities Services issued by BNM or its successor-in-title or successor in such capacity (as amended and/or substituted from time to time),

as amended or substituted from time to time (collectively, **“Participation Rules and Procedures”**), subject to such variation, amendments or exemptions (if any) from time to time.

(13) Selling restrictions : (i) At issuance

☐	Exclusively to persons in Labuan or outside Malaysia
☒	Read together with Schedule 9 of CMSA
☒	Schedule 5, Part 1, 1(b) of the CMSA (consideration not less than RM250,000 or equivalent in foreign currencies for each transaction)
☒	Schedule 8 of CMSA
☐	Section 2(6) of the Companies Act 2016
☒	Sophisticated Investors as set out in Guidelines on Categories of Sophisticated Investors [Prior to 5 February 2024, this was Part 1 of Schedule 6 of the Capital Markets & Services Act, 2007 (CMSA)]
☒	Sophisticated Investors as set out in Guidelines on Categories of Sophisticated Investors [Prior to 5 February 2024, this was Part 1 of Schedule 7 of the CMSA]
☒	Other – Please refer to the Additional Notes below

(ii) After issuance

☐	Exclusively to persons in Labuan or outside Malaysia
☒	Read together with Schedule 9 of CMSA
☒	Schedule 5, Part 1, 1(b) of the CMSA (consideration not less than RM250,000 or equivalent in foreign currencies for each transaction)
☒	Schedule 8 of CMSA

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☐	Section 2(6) of the Companies Act 2016
☒	Sophisticated Investors as set out in Guidelines on Categories of Sophisticated Investors [Prior to 5 February 2024, this was Part 1 of Schedule 6 of the CMSA]
☒	Other – Please refer to the Additional Notes below

Additional Notes:

Selling restrictions at issuance

The Capital Securities may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase of the Capital Securities and to whom the Capital Securities are issued would fall within:

- (i) paragraph 1(a), (b) or (d) of Part I of Schedule 5 of the Capital Markets and Services Act, 2007 (as amended from time to time) (“CMSA”); and
- (ii) Schedule 6 and Schedule 7 of the CMSA,

read together with Schedule 9 (or Section 257(3)) or in the case of Capital Securities issued outside Malaysia, Schedule 8 of the CMSA, subject to any change in the applicable law, order, regulation, guideline or official directive from time to time.

Selling restrictions after issuance

The Capital Securities may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person to whom an offer for subscription or purchase of, or invitation to subscribe for or purchase of the Capital Securities and to whom the Capital Securities are issued would fall within:

- (i) paragraph 1(a), (b) or (d) of Part I of Schedule 5 of the CMSA; and
- (ii) Schedule 6 (or Section 229(1)(b)) of the CMSA,

read together with Schedule 9 (or Section 257(3)) or in the case of Capital Securities issued outside Malaysia, Schedule 8 of the CMSA, subject to any change in the applicable law, order, regulation, guideline or official

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directive from time to time.

(14)	Tradability and transferability	:	<table><tr><td>☒</td><td>Tradable & transferable</td></tr><tr><td></td><td>MYR 1,000,000,000.00</td></tr><tr><td>☐</td><td>Non-tradable & non-transferable</td></tr><tr><td>☐</td><td>Restricted transferability</td></tr></table>	☒	Tradable & transferable		MYR 1,000,000,000.00	☐	Non-tradable & non-transferable	☐	Restricted transferability
☒	Tradable & transferable										
	MYR 1,000,000,000.00										
☐	Non-tradable & non-transferable										
☐	Restricted transferability										
(15)	Details of security/ collateral pledged, if applicable	:	<table><tr><td>☒</td><td>Unsecured</td></tr><tr><td>☐</td><td>Secured, details as follows:</td></tr><tr><td>☐</td><td>Combination of secured and unsecured, details as follows:</td></tr></table>	☒	Unsecured	☐	Secured, details as follows:	☐	Combination of secured and unsecured, details as follows:		
☒	Unsecured										
☐	Secured, details as follows:										
☐	Combination of secured and unsecured, details as follows:										
(16)	Details of guarantee, if applicable	:	<table><tr><td>☒</td><td>Not guaranteed</td></tr><tr><td>☐</td><td>Guaranteed, details as follows:</td></tr></table>	☒	Not guaranteed	☐	Guaranteed, details as follows:				
☒	Not guaranteed										
☐	Guaranteed, details as follows:										
(17)	Convertibility of issuance and details of the convertibility, if applicable	:	<table><tr><td>☒</td><td>Non-convertible</td></tr><tr><td>☐</td><td>Convertible, details as follows:</td></tr></table>	☒	Non-convertible	☐	Convertible, details as follows:				
☒	Non-convertible										
☐	Convertible, details as follows:										
(18)	Exchangeability of issuance and details of the exchangeability, if applicable	:	<table><tr><td>☒</td><td>Non-exchangeable</td></tr><tr><td>☐</td><td>Exchangeable, details as follows:</td></tr></table>	☒	Non-exchangeable	☐	Exchangeable, details as follows:				
☒	Non-exchangeable										
☐	Exchangeable, details as follows:										
(19)	Call option and details, if applicable	:	<table><tr><td>☐</td><td>No call option</td></tr><tr><td>☒</td><td>Call option, details as follows:</td></tr></table>	☐	No call option	☒	Call option, details as follows:				
☐	No call option										
☒	Call option, details as follows:										

Subject to the approval from BNM and the Redemption Conditions (as defined below) being satisfied, the Issuer may exercise its option to redeem the Capital Securities pursuant to Optional Redemption, Tax Redemption and/or Regulatory Redemption (as defined below).

(a) Optional Redemption

The Issuer may, at its option and subject to the Redemption Conditions being satisfied, redeem the Capital Securities (in whole or in part) at the Redemption Amount (as defined below) on any Optional Redemption Date (as defined below).

(b) Tax Redemption

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If there is more than an insubstantial risk that:

- (i) the Issuer has or will become obliged to pay Additional Amounts (as defined in the paragraph entitled “*Other terms and conditions – Withholding Taxes*”) or any taxes other than the Additional Amounts (if any), in relation to the Capital Securities; or
- (ii) the Issuer is not able to obtain tax deductions under Malaysian corporation tax for distribution payment made in respect of the Capital Securities, and the Issuer cannot, by taking reasonable measures available to it, avoid such additional obligations,

then the Issuer may, at its option, redeem the Capital Securities, in whole or in part, at the Redemption Amount, subject to the Redemption Conditions being satisfied.

(c) Regulatory Redemption

If any tranche of the Capital Securities (in whole or in part) no longer, either immediately or with the passage of time or upon either the giving of notice or the fulfilment of a condition, qualify as Additional Tier 1 capital of the Issuer or on a consolidated basis, of HLFGB, for the purposes of BNM’s capital adequacy requirements or any regulations applicable to the Issuer, then the Issuer may, at its option, and subject to the Redemption Conditions being met, redeem the Capital Securities, in whole or in part, at the Redemption Amount.

In this paragraph, the following definitions have the following meanings:

“**Redemption Amount**” means in the case of an Optional Redemption, a Tax Redemption or a Regulatory Redemption, an amount equal to 100% of the nominal value of the relevant Capital Securities together with accrued but unpaid and uncanceled Periodic Distribution (as defined in the paragraph entitled “*Other terms and conditions – Profit / coupon or equivalent rate (%)*”), if any and subject to the provisions contained in the paragraph entitled “*Other terms and conditions – Limitation on Payment of Distribution*”, up

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to (and excluding) the date on which the relevant Capital Securities are redeemed.

“Redemption Conditions” means:

- (i) the Issuer is solvent at the time of redemption of a tranche of Capital Securities or part thereof and immediately thereafter;
- (ii) the Issuer:
 - (a) shall replace that tranche of Capital Securities or part thereof to be redeemed with capital of the same or better quality and the replacement of such capital is done at conditions which are sustainable for the income capacity of the Issuer; or
 - (b) demonstrates to BNM that its capital position is and can be sustained well above the minimum capital adequacy and capital buffer requirements as imposed by BNM after the redemption; and
- (iii) the Issuer has obtained the written approval of BNM prior to redemption of that tranche of Capital Securities or part thereof.

“Optional Redemption Date” means a date to be determined prior to issuance. In the case of a tranche of Capital Securities under the AT1 Programme, a date falling no earlier than the fifth (5th) anniversary of the relevant issue date, and any Distribution Payment Date (as defined in the paragraph entitled “Other terms and conditions – Profit / coupon payment frequency and basis”) thereafter.

(20) Put option and details, if applicable :	☒	No put option
	☐	Put option, details as follows:

(21) Details of covenants : **Positive Covenants**

The Issuer shall comply with such applicable positive covenants which are required in order to comply with the Guidelines on Trust Deeds issued by the SC (issued on 12 July 2011, revised on 23 July 2020 and as amended from time to time) (“**Guidelines on Trust Deeds**”) including, but not limited to the following:-

- (a) the Issuer shall give to the Bond Trustee any

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information which the Bond Trustee may reasonably require in order to discharge its duties and obligations under the Trust Deed relating to the Issuer’s affairs to the extent permitted by laws;

- (b) the Issuer shall exercise reasonable diligence in carrying on its business in a proper and efficient manner and ensure that the necessary approvals or relevant licenses for the operation of the Issuer’s business are obtained and maintained;
- (c) the Issuer shall ensure that the Capital Securities shall comply with all applicable laws including the provisions of the CMSA and/or the relevant guidelines, directives, written notices or circulars issued and to be issued from time to time;
- (d) the Issuer shall maintain a paying agent or its equivalent, who is based in Malaysia in respect of the Capital Securities which are denominated in Ringgit Malaysia;
- (e) the Issuer shall maintain proper books and accounts at all times in accordance with the laws and accounting standards and provide the Bond Trustee and any person appointed by the Bond Trustee (e.g. auditors) access to such books and accounts to the extent permitted by laws;
- (f) the Issuer shall procure that the Facility Agent to notify the Bond Trustee if the Paying Agent does not receive payment from the Issuer on the due dates as required under the Trust Deed and the terms and conditions of the Capital Securities;
- (g) the Issuer shall ensure that the provisions of the information memorandum to be issued by the Issuer in respect of the AT1 Programme (as amended, varied and/or supplemented from time to time) (“**Information Memorandum**”) do not contain any matter which is inconsistent with the provisions of the Trust Deed and the terms and conditions of the Capital Securities;
- (h) the Issuer shall ensure that there are no amendments to the constitution of the Issuer in the manner that is inconsistent with the rights and

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obligations of the Issuer under the Transaction Documents;

- (i) ensure that the Capital Securities shall at all times be governed by the relevant guidelines issued and to be issued from time to time by BNM;
- (j) in relation to the Sustainability Capital Securities, for so long as any Sustainability Capital Securities are outstanding, the Issuer shall comply with the applicable Sustainability Framework as stated in the relevant Transaction Documents of such tranche of Capital Securities in relation to the issuance of such Sustainability Capital Securities, where applicable; and
- (k) any other positive covenants as may be advised by the Solicitors and mutually agreed with the Issuer.

Negative Covenants

No negative covenants.

Financial Covenants

No financial covenants.

Information covenants

The Issuer shall comply with such applicable information covenants which are required in order to comply with the Guidelines on Trust Deeds including, but not limited to the following:-

- (a) The Issuer shall deliver to the Bond Trustee:
 - (i) a copy of its annual audited financial statements within one hundred and eighty (180) days after the end of its financial year;
 - (ii) as soon as they become available (and in any event within ninety (90) days after the end of the first half of its financial year), copies of its unaudited half-yearly financial statements, which are duly certified by any one of its directors; and

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- (iii) any other accounts, balance sheet, report, notice, statement, circular or other documents issued by the Issuer to its shareholders;
- (b) The Issuer shall no later than one hundred and eighty (180) days after the end of each financial year, deliver to the Bond Trustee a certificate signed by an authorised signatory of the Issuer, certifying that the Issuer has complied with and performed its obligations under the Trust Deed and the terms and conditions of the Capital Securities and the other Transaction Documents and that there did not exist and there had not at any time existed, from the issue date of the Capital Securities or the date of the previous certificate, as the case may be, any Enforcement Event (as defined in the paragraph entitled “Events of defaults or enforcement events, where applicable, including recourse available to investors”) and if such is not the case, the certificate should specify the same;
- (c) the Issuer shall permit the accounts, reports, notices, statements or circulars as provided by the Issuer to the Bond Trustee to be circulated by the Bond Trustee at its discretion to the Bondholders, the qualified investors of the Capital Securities and the Credit Rating Agency;
- (d) the Issuer shall deliver to the Credit Rating Agency (if applicable) all such reports and/or information as may be required by the Credit Rating Agency in respect of the Capital Securities;
- (e) The Issuer shall immediately notify the Bond Trustee in writing in the event that the Issuer becomes aware of the following:
 - (i) upon the occurrence of an Enforcement Event;
 - (ii) any circumstance that has occurred or any other matter that may materially prejudice the ability of the Issuer to perform its obligations under the Transaction Documents or in respect of the Capital Securities;

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- (iii) any substantial change in the nature of the business of the Issuer;
 - (iv) any change in the Issuer’s withholding tax position or tax jurisdiction;
 - (v) any other matter that may materially prejudice the interests of the Bondholders; and
 - (vi) any amendments, variations, terminations, replacements or supplements of any of the Transaction Documents; and
- (f) such other information covenants as may be required by the Lead Arranger and/or advised by the solicitors and mutually agreed with the Issuer.

(22) Details of designated accounts, if applicable, including –

☒	No Designated account
☐	Designated account(s) as follows:

- (a) names of accounts;
- (b) parties responsible for opening the account;
- (c) parties responsible for maintaining / operating the account;
- (d) signatories to the account;
- (e) sources and utilisation of funds; and
- (f) diagram illustrating the flow of monies and conditions for disbursements

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- (23) Details of credit rating, if applicable :**
- ☐ Unrated as follows:
- ☐ Rated as follows:
- ☒ Combination of rated and unrated as follows:

Long Term/Short Term	Long Term
Rated/Unrated	Unrated
Credit Rating Agency	Not applicable
Credit Rating	Not applicable
Final/Indicative rating	Not applicable
Name of Issuance/Tranche/Series/Class	First tranche and subsequent tranche(s)
Amount	MYR1,000,000,000.00

Long Term/Short Term	Long Term
Rated/Unrated	Rated
Credit Rating Agency	To be determined
Credit Rating	To be determined
Final/Indicative rating	To be determined
Name of Issuance/Tranche/Series/Class	First tranche and subsequent tranche(s)
Amount	MYR1,000,000,000.00

Additional Notes:

The first issuance of Capital Securities under the AT1 Programme shall comprise of unrated Capital Securities, the terms and conditions of which shall be determined and agreed to by the Issuer and the Lead Manager prior to the relevant issue date and which will be reflected in the relevant documentation.

For RM denominated Capital Securities

The RM denominated Capital Securities under the relevant tranche may be rated, unrated or a combination of rated and unrated as the Issuer may decide prior to each issuance.

In the event that any of the tranches is rated, the rating exercise shall be conducted by the Credit Rating Agency and the credit rating(s) assigned to such rated capital securities will be disclosed in the relevant disclosure documents of such tranche.

For non-RM denominated Capital Securities

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The non-RM denominated Capital Securities may be rated by international rating agency(ies) at the discretion of the Issuer.

Notwithstanding the above, the Issuer reserves the right to rate the AT1 Programme during the tenure of the same on the condition that:

- (i) the prior consent of the Bondholders shall be obtained where applicable;
- (ii) All the outstanding RM denominated AT1 Capital Securities (if any) will be rated;
- (iii) All the future issuance(s) of the RM denominated AT1 Capital Securities will be rated;
- (iv) The AT1 Programme remains being rated until the expiry of the same; and
- (v) Such rating shall be assigned by a Credit Rating Agency and the credit rating assigned to the AT1 Programme will be disclosed in the relevant Transaction Documents.

(24) Conditions precedent : The availability of the AT1 Programme shall be subject to compliance of all the following conditions precedent by the Issuer to the satisfaction of the Lead Arranger (unless waived by the Lead Arranger):

- (a) Receipt of a legal due diligence report on the Issuer satisfactory to the Lead Arranger;
- (b) Evidence that the Trustee’s Reimbursement Account (as defined in the paragraph entitled “*Other terms and conditions Trustee’s Reimbursement Account*”) has been opened with a sum of Ringgit Malaysia One Hundred Thousand (RM100,000.00) deposited into it;
- (c) Receipt of certified copies of the following:
 - (i) the certificate of incorporation, memorandum and articles of association or constitution (if any), latest Forms 24, 44 and 49 (or any equivalent forms as prescribed under the Companies Act 2016), and any other constitutive documents of the Issuer; and
 - (ii) the resolution(s) of the Board of Directors of the

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Issuer authorising issuance of the Capital Securities, the execution of documents relating to the Capital Securities and the entry into and performance of the transactions contemplated therein;

- (d) Evidence that the relevant information and documents as required under the Guidelines on LOLA Framework in respect of the AT1 Programme have been lodged with the SC;
- (e) The Transaction Documents have been duly executed and, where applicable, stamped (unless otherwise exempted) and presented for registration;
- (f) The approval from BNM to establish the AT1 Programme has been obtained;
- (g) If applicable, for any rated issuance, such rating letter(s)/report(s) from the Credit Rating Agency acceptable to the Lead Manager;
- (h) Receipt of a company search conducted on the Issuer;
- (i) Receipt of the relevant winding up search conducted on the Issuer or the relevant statutory declaration of the Issuer (in form and substance acceptable to the Lead Arranger) signed by a director of the Issuer declaring that the Issuer is not wound up and that no winding up petition has been presented against the Issuer;
- (j) Legal opinion from the solicitors addressed to the Lead Arranger advising with respect to, amongst others, the legality, validity and enforceability of the Transaction Documents;
- (k) Written confirmation from the solicitors addressed to the Lead Arranger that all the conditions precedent have been fulfilled or waived as the case may be; and
- (l) Such other conditions precedent as may be required by the Lead Arranger and/or advised by the Solicitors and mutually agreed with the Issuer.

It is a condition precedent to each issuance of non-RM

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denominated Capital Securities that the rating letter/report(s) from the international rating agency(ies), if required by the investor(s), which is acceptable to the Lead Arranger has been obtained.

It is a condition precedent to the issuance of Sustainability Capital Securities in compliance with the relevant Sustainability Frameworks that a second party opinion from an external review provider which is acceptable to the Lead Arranger, on the HLIB Sustainability Bond Framework (as defined in the paragraph entitled “*Other terms and conditions – Details on utilisation of proceeds*”) and/or HLIB Green Bond Framework (as defined in the paragraph entitled “*Other terms and conditions – Details on utilisation of proceeds*”), as the case may be, has been obtained.

- (25) Representations and warranties** : Representation and warranties will include such representation and warranties customary and standard for a facility of this nature and shall include, but not limited to the following:
- (i) The Issuer is duly incorporated, validly in existence and has the power and authority to carry out its business;
 - (ii) The Issuer has the power to enter into the Transaction Documents and exercise its rights and to perform its obligations under the Transaction Documents;
 - (iii) Entry into and the exercise of the Issuer’s rights and obligations under the Transaction Documents do not violate any existing law or regulation;
 - (iv) The Transaction Documents create valid, binding and enforceable obligations on the part of the Issuer;
 - (v) All necessary actions, authorisations and consents required under the Transaction Documents and the Capital Securities have been obtained and remain in full force and effect;
 - (vi) The audited financial statements of the Issuer are prepared in accordance with generally accepted accounting principles and standards in Malaysia and represent a true and fair view;

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(vii) Save as disclosed in the Information Memorandum (if applicable), there is no litigation which would have a material adverse effect on the Issuer’s ability to perform its obligations under the Transaction Documents; and

(viii) Any other representation and warranties as may be advised by the solicitors.

(26) Events of default or enforcement events, where applicable, including recourse available to investors : There are no events of default under the Capital Securities. However, there will be enforcement events applicable to the Capital Securities.

The “**Enforcement Event**” means the occurrence of any of the following:-

- (i) a default is made in payment of any principal amount or any periodic payment on the due date and the Issuer does not remedy such default within a period of seven (7) business days; or
- (ii) an order is made for the winding up of the Issuer and such order is not stayed or set aside within sixty (60) days of such order being made or, where so stayed, such stay lapses, or an effective resolution is passed for winding up of the Issuer except where such order is made or such resolution is passed for the purpose of a reconstruction or amalgamation, the terms of which have been approved by the Bondholders by way of special resolution.

Upon the occurrence of item (i) above, subject to the terms of the Trust Deed, the Bond Trustee may or shall (if so directed by a special resolution of the relevant Bondholders) institute proceedings to enforce the obligations of the Issuer for payment due under the relevant Capital Securities and may institute proceedings in Malaysia for the winding up of the Issuer, provided that neither the Bond Trustee nor any of the Bondholders shall have the right to accelerate payment of the relevant Capital Securities in the case of a default in the payment of any amount owing under the relevant Capital Securities or any non-performance of any condition, provision or performance of any covenant under the Trust Deed.

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Upon occurrence of item (ii) above, subject to the terms of the Trust Deed, the Bond Trustee may or shall (if directed to do so by a special resolution of the Bondholders), by notice in writing to the Issuer, declare that all outstanding amounts due from the Issuer on the Capital Securities shall become due and immediately payable.

For the avoidance of doubt, the occurrence of item (i) above for any tranches of the Capital Securities will not trigger an Enforcement Event for other tranches of the Capital Securities outstanding. However, occurrence of item (ii) above will trigger an Enforcement Event for all tranches of the Capital Securities outstanding.

In relation to the Capital Securities, for the avoidance of doubt, no Periodic Distribution shall be due and payable if such Periodic Distribution or part thereof has been (i) cancelled or is deemed cancelled (in each case, in whole or in part) under the paragraph entitled “*Other terms and conditions – Limitation on Payment of Distribution*” or (ii) deferred by the Issuer pursuant to the provision on the “*Circumstances for Cumulative Distribution*” under the paragraph entitled “*Other terms and conditions – Limitation on Payment of Distribution*”.

(27) Governing laws : For Capital Securities issued in Malaysia

The Capital Securities will be governed by, and shall be construed in accordance with the laws of Malaysia.

For Capital Securities issued outside Malaysia

The laws of such jurisdiction as shall be agreed upon by the Issuer and the Lead Manager.

(28) Provisions on buy-back, if applicable :

☐	No provision on buy-back
☒	Provisions on buy-back, details as follows:

Subject to the prior approval of BNM (but which approval shall not be required for a purchase done in the ordinary course of business), the Issuer or any of its subsidiaries or agents of the Issuer may at any time purchase the Capital Securities or part thereof at any price in the open market or by private treaty provided no Non-Viability Event (as defined in the paragraph entitled “*Other terms and conditions – Non Viability Loss Absorption*”) has occurred prior to the date of such purchase. If purchase is made by tender for a tranche

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of the Capital Securities, such tender must (subject to any applicable rules and regulations) be made available to all Bondholders of that tranche of the Capital Securities equally.

The Capital Securities purchased by the Issuer or its subsidiaries or agents of the Issuer (other than in the ordinary course of business) shall be cancelled and shall not be resold.

For the purpose of this clause, the term "ordinary course of business" includes those activities performed by the Issuer or any related corporation of the Issuer for third parties but excludes those performed for the funds of the Issuer or such related corporation. Third parties herein refer to clients of the Issuer, of its subsidiaries' and of related corporations.

The Capital Securities purchased by other related corporations (other than its subsidiaries) or any interested person of the Issuer, which includes the directors, major shareholders and chief executive officer, need not be cancelled but they will not entitle such related corporations or interested person of the Issuer to vote under the terms of the Capital Securities subject to any exceptions in the Guidelines on Trust Deeds. The Capital Securities purchased and cancelled shall not be available for reissuance by the Issuer.

(29) **Provisions on early redemption** : Please see the paragraph entitled "*Call Option*".

(30) **Voting** : Voting by the Bondholders under the AT1 Programme shall be carried out on a "per tranche" basis and not on a collective basis.

The Bondholders shall have no voting rights in any way whatsoever that are of an equivalent nature to those of the shareholders of the Issuer.

(31) **Permitted investments** :

☒	No permitted investments
☐	Permitted investments, details as follows:

(32) **Ta'widh** : Not applicable

(33) **Ibra'** : Not applicable

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(34) *Kafalah* : Not applicable

(35) **Waivers from complying with the Guidelines on UCMP under the LOLA Framework and other relevant guidelines of the SC obtained for the facility/programme, if any** : Not applicable

(36) **Other terms and conditions**

(a) **Tenure of the Capital Securities** : The tenure for each issuance of the Capital Securities shall be perpetual.

(b) **Profit / coupon or equivalent rate (%)** : Subject to the paragraph entitled “*Other terms and conditions - Limitation on Payment Distribution*”, the Capital Securities confer a right to receive Periodic Distribution Amount (as defined below) from (and including) the issue date at the Distribution Rate (as defined below) (“**Periodic Distribution**”).

“**Periodic Distribution Amount**” shall be calculated at the Distribution Rate on the outstanding nominal value of the Capital Securities based on the actual number of days elapsed over 365 days basis (actual/365) or in any event, in accordance with the rules issued by BNM or its successor-in-title or successor in such capacity (as amended and/or substituted from time to time).

The rate of the Periodic Distribution (“**Distribution Rate**”) shall be determined prior to the issuance of each tranche of Capital Securities.

The Distribution Rate shall be either (a) a fixed rate applicable throughout the tenure of the Capital Securities, OR (b) a floating rate based on the aggregate of a benchmark rate plus a credit spread subject to a reset of the benchmark rate PROVIDED that (i) the credit spread in the Distribution Rate shall be maintained at all times; (ii) the first reset date and frequency of subsequent resets shall be determined prior to each issuance; and (iii) the basis for determining the benchmark rate shall be the same

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throughout the tenure of the Capital Securities.

Should the Issuer opt for a floating rate, in relation to the first tranche of Capital Securities, the first reset date shall be the Distribution Payment Date falling five (5) years after the issue date (with subsequent resets every five (5) years) or such later date (and such longer subsequent reset period) as may be agreed to between the Issuer and the Principal Adviser/ Lead Arranger prior to issuance of such tranche of Capital Securities, and in relation to any other tranche of Capital Securities, such date and reset period as shall be agreed to between the Issuer and the Principal Adviser/ Lead Arranger prior to issuance of such tranche of Capital Securities.

For avoidance of doubt, the benchmark rate and the credit spread shall be agreed upfront prior to issuance of any Capital Securities with floating rate.

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| (c) Profit / coupon payment frequency and basis | : Subject always to the paragraph entitled “ <i>Other terms and conditions – Limitation on Payment Distribution</i> ”, Periodic Distribution will be payable quarterly or semi-annually in arrears (“ Distribution Payment Date ”), to be determined prior to issuance of each tranche of Capital Securities. |
| (d) Profit / coupon payment basis | : In relation to the Capital Securities denominated in Ringgit, actual / 365 and in relation to the Capital Securities denominated in foreign currency, actual / 365 or such other convention as may be determined prior to issuance. |
| (e) Details on utilisation of proceeds | : Proceeds from the issuance of each tranche of Capital Securities is intended to fulfil the requirements of Additional Tier 1 capital as per the CA Framework and shall be utilised in the following manner: <ul style="list-style-type: none">(i) in respect of Capital Securities which are not Sustainability Capital Securities, without limitation, for its working capital, general banking and other corporate purposes and where applicable, the refinancing of any existing financial obligations of the Issuer and/or any existing Capital Securities issued under the AT1 Programme; and(ii) in respect of the Sustainability Capital Securities, for purposes that meet the criteria as set out in the HLIB Green Bond Framework and/or the HLIB Sustainability Bond Framework, as the case may be. |

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“**HLIB Green Bond Framework**” means the green bond framework established by the Issuer in May 2024 (as amended or modified or revised or substituted from time to time) in accordance with the relevant Sustainability Frameworks which governs the Issuer’s green bonds issuances.

“**HLIB Sustainability Bond Framework**” means the sustainability bond framework to be established by the Issuer (as amended or modified or revised or substituted from time to time) in accordance with the relevant Sustainability Frameworks which governs the Issuer’s social bonds, sustainability bonds and/or sustainability-linked bonds issuances. The name of the HLIB Sustainability Bond Framework will be specified in the relevant marketing and issuance documents in relation to the issuance of the Sustainability Capital Securities in compliance with the relevant Sustainability Frameworks in relation to social bonds, sustainability bonds or sustainability-linked bonds.

(f) Limitation on Payment of Distribution

: The payment of Periodic Distribution under the Capital Securities shall be at the Issuer’s sole and absolute discretion and is subject to:

- (i) Such payment not resulting in a breach of the capital requirements applicable to the Issuer under the relevant BNM’s capital guidelines;
- (ii) The Issuer is solvent at the time of payment of the Periodic Distribution and the payment of the Periodic Distribution will not result in the Issuer becoming, or likely to become insolvent; and
- (iii) Such payment being made from Distributable Reserves (as defined below) only.

“**Distributable Reserves**” means at any time, the amounts for the time being available to the Issuer for distribution as a dividend as of the date of the Issuer’s latest audited financial statements in compliance with Section 131 of the Companies Act 2016 (or its equivalent under any successor laws) provided that if the Issuer reasonably believes that the available amounts as of any Distribution Determination Date (as defined below) are lower than the available amounts as of the date of the Issuer’s latest audited financial statements

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and are insufficient to pay the Periodic Distribution and for payments of any dividends or other distributions in respect of other liabilities or obligations of the Issuer which by their terms or by operation of law, rank pari passu with the Capital Securities, on the relevant Distribution Payment Date, then two (2) directors of the Issuer shall provide a certificate to the Bond Trustee (acting on behalf of the Bondholders), on or prior to the relevant Distribution Payment Date, setting out the available amounts as of such Distribution Determination Date (which certificate of the two (2) directors will be binding absent of manifest error) and the Distributable Reserves as of such Distribution Determination Date for the purposes of such Periodic Distribution will mean the available amounts as set forth in such certificate.

“Distribution Determination Date” means, with respect to any Distribution Payment Date, the day falling five (5) business days prior to that Distribution Payment Date.

If the Issuer is unable to meet any of the conditions (i), (ii) or (iii) above, the Issuer shall cancel the Periodic Distribution which would otherwise have been payable on such Distribution Payment Date provided always in the case where conditions (i) and (ii) are met but the Distributable Reserves are insufficient to pay the Periodic Distribution in full, the Issuer may elect to pay a part of the Periodic Distribution up to the amount available from the Distributable Reserves and cancel the other part of the Periodic Distribution which would otherwise have been payable on such Distribution Payment Date. Any such cancellation will not constitute or be deemed a default by the Issuer or constitute an Enforcement Event for any purpose whatsoever nor would it trigger a cross-default under any other outstanding Capital Securities issued under the AT1 Programme.

Notwithstanding that the Issuer is able to meet all the conditions (i), (ii) and (iii) above, the Issuer may also, at its sole and absolute discretion:

- (A) pay a part of the Periodic Distribution and cancel the other part of the Periodic Distribution which would otherwise have been payable on such Distribution Payment Date; or
- (B) cancel the whole Periodic Distribution which would

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otherwise have been payable on such Distribution Payment Date,

For the avoidance of doubt, the Issuer has no obligation to pay, and the Bondholders have no right to receive, the Periodic Distribution or a part thereof, which has been cancelled at the sole and absolute discretion of the Issuer, at any Distribution Payment Date. Any payment made is at the sole and absolute discretion of the Issuer.

If the Issuer does not make a Periodic Distribution on the relevant Distribution Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such Periodic Distribution), such non-payment or part-payment shall serve as evidence of the Issuer's exercise of its discretion to cancel such Periodic Distribution (or the portion of such Periodic Distribution not paid), and accordingly such Periodic Distribution (or the portion thereof not paid) shall not be due and/or accrued, and shall not be payable.

If practicable, the Issuer shall provide notice of any cancellation of Periodic Distribution (in whole or in part) to the Bondholders (via the Bond Trustee) on or prior to the relevant Distribution Payment Date. If practicable, the Issuer shall endeavour to provide such notice at least three (3) business days prior to the relevant Distribution Payment Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation of Periodic Distribution, or give the Bondholders any rights as a result of such failure.

Any such cancellation will not constitute or be deemed a default by the Issuer or constitute an Enforcement Event for any purpose whatsoever nor would it trigger a cross-default under any other outstanding Capital Securities issued under the AT1 Programme.

Circumstances for Cumulative Distribution

Notwithstanding the above, if (i) the Capital Securities or any tranche thereof no longer qualify as Additional Tier 1 capital of the Issuer, (in whole and not in part) for the purposes of BNM's minimum capital adequacy requirements under any applicable regulations, and such disqualification has been confirmed by BNM in writing, and (ii) the Issuer is not in breach of BNM's minimum capital adequacy ratio requirements applicable to the Issuer, any

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Periodic Distribution payable after the date of notification from BNM of such disqualification (“**Disqualification Date**”) may be deferred, in whole or in part, at the Issuer’s sole and absolute discretion but shall not be cancelled in accordance with the provisions of this paragraph. Any portion of the Periodic Distribution payable on a Distribution Payment Date occurring after the Disqualification Date, but deferred at the Issuer’s sole and absolute discretion shall start to become cumulative and compound at the Distribution Rate from (and including) the said Distribution Payment Date (“**Deferred Distribution Date**”) up to the date of actual payment of such deferred Periodic Distribution. In such circumstances, the deferred Periodic Distribution, together with accrued amounts will become due and payable no later than ten (10) years from the Deferred Distribution Date, or upon redemption of the Capital Securities, whichever is earlier.

For the avoidance of doubt, any Periodic Distribution payable prior to the Disqualification Date shall be paid or cancelled in accordance with this paragraph entitled “*Other terms and conditions – Limitation on Payment of Distribution*”.

If the Issuer does not make a Periodic Distribution on the relevant Distribution Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such Periodic Distribution), such non-payment or part-payment shall serve as evidence of the Issuer’s exercise of its discretion to defer such Periodic Distribution (or the portion of such Periodic Distribution not paid).

If practicable, the Issuer shall provide notice of the deferment of Periodic Distribution (in whole or in part) to the Bondholders (via the Bond Trustee) on or prior to the relevant Distribution Payment Date. If practicable, the Issuer shall endeavour to provide such notice at least three (3) business days prior to the relevant Distribution Payment Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such deferment of Periodic Distribution, or give the Bondholders any rights as a result of such failure.

Any such deferment will not constitute or be deemed a default by the Issuer or constitute an Enforcement Event for any purpose whatsoever nor would it trigger a cross-default under any other outstanding Capital Securities issued under

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the AT1 Programme.

- (g) **Dividend and Capital Stopper** : In the event that the Issuer has not made a full payment of any Periodic Distribution on a Distribution Payment Date, then (i) the Issuer shall not pay any dividends to its shareholders or make any payment or distribution on any security or instruments ranking pari passu with or junior to the Capital Securities and which terms do not require the Issuer to make such payment or distribution (“**Dividend Stopper**”); and (ii) the Issuer shall not redeem, purchase, reduce or otherwise acquire any of its ordinary shares, preference shares, securities or instruments ranking pari passu with or junior to the Capital Securities, or any securities of any of its subsidiary benefiting from a guarantee from the Issuer, ranking, as to the right of redemption of principal, or in the case of any such guarantee, as to the payment of sums under such guarantee, pari passu with or junior to the Capital Securities (“**Capital Stopper**”).

The Dividend Stopper and the Capital Stopper shall continue to apply, as the case may be, until either (i), (ii) or (iii) below is met:

- (i) the Issuer has paid full Periodic Distribution scheduled for two (2) consecutive semi-annual Distribution Payment Dates or four (4) consecutive quarterly Distribution Payment Dates (as the case may be) after the application of the Dividend Stopper and the Capital Stopper;
- (ii) the Issuer has irrevocably set aside in a separately designated trust account of the Issuer for payment to the Bondholders, an amount sufficient to provide for the full Periodic Distribution scheduled for two (2) consecutive semi-annual Distribution Payment Dates or four (4) consecutive quarterly Distribution Payment Dates (as the case may be) after the application of the Dividend Stopper and the Capital Stopper and if upon determination of the amount of each of such Periodic Distribution there is a shortfall in the amounts set aside in such separately designated trust account with reference to the amounts so determined, an amount at least equal to such shortfall shall be paid or irrevocably set aside in the same manner; or
- (iii) an Optional Distribution (as defined below) has, at the

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option of the Issuer and subject to BNM’s approval, been paid to all Bondholders equal to, (without duplication of amounts previously paid to the Bondholders) amounts outstanding (if any) on the Capital Securities which were scheduled to be paid in the twelve (12) months before the date of payment of the Optional Distribution.

“**Optional Distribution**” means an amount, equal to any Unpaid Distribution Amount, scheduled to have been paid during the twelve (12) month period immediately preceding the date on which the Issuer shall pay the Optional Distribution.

“**Unpaid Distribution Amount**” means any Periodic Distribution which is cancelled by the Issuer pursuant to this paragraph entitled “*Other terms and conditions – Limitation on Payment of Distribution*”.

(h) Non Viability Loss Absorption : Following the occurrence of the following trigger events (each a “**Non-Viability Event**”), whichever is earlier:

- (i) BNM has notified the Issuer or HLFG and its subsidiaries (“**HLFG Group**”), as the case may be, in writing that they are of the view that the principal write off of the Capital Securities, together with the conversion or write off of any other Tier 2 instruments and Tier 1 instruments which, pursuant to their terms or by operation of law, are capable of being converted into equity, or written off at that time, is necessary, without which the Issuer or the HLFG Group would cease to be viable; or
- (ii) BNM publicly announces that a decision has been made by BNM or any other federal or state government in Malaysia, to provide a capital injection or equivalent support to the Issuer, without which the Issuer or the HLFG Group (as the case may be) would cease to be viable,

BNM shall have the option to require the entire principal outstanding or such portion thereof and (if any) all other amount owing under the Capital Securities be written off and if BNM elects to exercise such option, subject to and as of the date of the occurrence of the Non-Viability Event, each of the Bondholders hereby irrevocably waives its right to receive repayment of the principal amount of the Capital

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Securities and also irrevocably waives its right to any Periodic Distribution (including Periodic Distribution accrued but unpaid up to the date of the occurrence of a Non-Viability Event).

Such write off of Capital Securities shall not constitute an event of default or Enforcement Event, nor would it trigger a cross-default under any other outstanding Capital Securities issued under the AT1 Programme.

A Non-Viability Event shall be deemed to have occurred on the day on which the Issuer or HLFG Group (as the case may be) receives the notification from BNM.

Upon the occurrence of a Non-Viability Event, the Issuer is required to give notice to the Bondholders (via the Bond Trustee) and the Rating Agency, if applicable, in accordance with the terms of the Capital Securities, that as of the relevant write-off date:

(i) the write-off shall reduce:

- (1) the claim of the Capital Securities in liquidation. The Bondholders will be automatically deemed to irrevocably waive their right to receive, and no longer have any rights against the Issuer with respect to, any repayment of the aggregate principal amount of the Capital Securities written-off;
- (2) the amount to be repaid when a redemption is exercised pursuant to the Optional Redemption, Regulatory Redemption and/or Tax Redemption; and
- (3) Periodic Distribution;

(ii) the write-off shall be permanent and the whole or part (as the case may be) of the principal amount of the Capital Securities will automatically be written-off to zero and the whole or part (as the case may be) of the Capital Securities will be cancelled.

(i) Capital Event	Trigger : A Capital Trigger Event occurs when the Common Equity Tier 1 Ratio of the Issuer (at the consolidated or entity level) or the Common Equity Tier 1 Ratio of HLFG (at the consolidated level) falls below 5.125% as of the relevant quarterly reporting date where the quarterly unaudited
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consolidated financial results of the Issuer or HLFG (as the case may be) are published, announced and made publicly available (“**Capital Trigger Event Date**”).

“**Common Equity Tier 1 Ratio**” means the common equity tier 1 capital ratio as determined by the CA Framework.

(j) **Capital Trigger Event Write Off** : Upon the occurrence of a Capital Trigger Event, the entire principal outstanding or such portion thereof and (if any), all other amount owing under the Capital Securities shall be written off such that the effect of such write off, together with the write off or conversion of other relevant Tier 1 instruments which pursuant to their terms or by operation of law, are capable of being converted into equity, or written off at that time, will return the Common Equity Tier 1 Ratio of the (i) Issuer (at the consolidated and entity level) and (ii) HLFG (at the consolidated level), to be at least 5.75%. Such write off of the Capital Securities, together with the write off or conversion of other relevant Tier 1 instruments, if any, shall be done on a pro-rata basis.

(k) **Ranking** : **Capital Securities**

The Capital Securities (after taking into account the nature and exercise of the Enforcement Event or Call Option (as the case may be)) will constitute direct, unconditional, subordinated and unsecured obligations of the Issuer.

In the event of a winding-up or liquidation of the Issuer, amounts payable on the Capital Securities will be subordinated in right of payment to the prior payment in full of all deposit liabilities and all other liabilities of the Issuer except, in each case, to those liabilities which by their terms rank equal with or junior to the Capital Securities.

Claims in respect of the Capital Securities will rank pari passu and without preference amongst themselves and with the most junior class of preference shares (if any) of the Issuer and any security or other similar obligation issued, entered into or guaranteed by the Issuer that constitutes or could qualify as Additional Tier 1 capital of the Issuer on a consolidated basis, pursuant to the relevant requirements set out in BNM’s guidelines, or otherwise ranks or is expressed to rank, by its terms or by operation of law, pari passu with the Capital Securities, but in priority to the rights and claims of holders of the ordinary shares of the Issuer.

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- (l) **Setting off** : No Bondholders may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Capital Securities, and the Bondholders shall, by virtue of his holding of any Capital Securities, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer in relation to the Capital Securities to the fullest extent permitted by law. If at any time the Bondholders receive payment or benefit of any sum in respect of the Capital Securities (including any benefit received pursuant to any such set-off, deduction, withholding or retention) other than in accordance with the terms of the Capital Securities, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and the Bondholders by virtue of his holding of any Capital Securities, shall, agree as a separate and independent obligation to immediately pay an amount equal to the amount of such sum or benefit so received to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any payment of such sum or receipt of such benefit shall be deemed not to have discharged any of the obligations under the Capital Securities.
- (m) **Withholding taxes** : All payments in respect of the Capital Securities by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction, unless the withholding or deduction of the taxes is required by law. In the event such taxes are imposed, the Issuer will not have to pay additional amounts (“**Additional Amounts**”) as may be necessary in order that the net amounts received by the after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Capital Securities in the absence of the withholding or deduction.
- (n) **Amendments to the Terms and Conditions of the Capital Securities** : Amendments to the terms and conditions of the Capital Securities shall only be made with the prior approval of BNM where such proposed amendments could impact its eligibility as Additional Tier 1 capital of the Issuer.

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- (o) Transaction Documents** : The Capital Securities shall be evidenced by, inter alia, the following:
1. the Programme Agreement;
 2. the Trust Deed;
 3. the Securities Lodgement Form;
 4. the Subscription Agreement(s);
 5. the Capital Securities represented by the global certificates or the definitive certificates; and
 6. all other relevant documents/agreements relating to the Capital Securities as advised by the solicitors,
- and includes any amendments, variations and/or supplementals made or entered into from time to time.
- Any references to the “**Transaction Documents**” shall mean each or any one of them.
- (p) Clearing and settlement platform and mode of issue (for Capital Securities issued outside Malaysia)** : **Clearing and settlement platform**
- Such clearing and settlement platform customary in the relevant market for such issuance.
- Mode of issue**
- The Capital Securities shall be issued in accordance with the procedures and rules of the relevant jurisdiction.
- (q) Tradability and transferability** : The Capital Securities are transferable (subject to the selling restrictions described above) and tradable under, in the case of Capital Securities issued in Malaysia, the Participation Rules for Payments and Securities Services issued by BNM or its successor-in-title or successor in such capacity (as amended and/or substituted from time to time), and in the case of Capital Securities issued outside Malaysia, the procedures and rules of the relevant jurisdiction.
- (r) Trustee’s Reimbursement Account** : The Issuer shall, or the Bond Trustee shall on behalf of the Issuer, open and maintain, throughout the tenure of the Capital Securities, a Trustee’s reimbursement account for the Bondholders’ actions (the “**Trustee’s Reimbursement**

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Account”) and the credit balance of the Trustee’s Reimbursement Account must be no less than RM100,000.00.

The Trustee’s Reimbursement Account shall be operated by the Bond Trustee and the money shall only be used strictly by the Bond Trustee in carrying out its duties in relation to the acceleration of the Capital Securities pursuant to an Enforcement Event in the manner as provided in the Trust Deed.

Any unutilised monies in the Trustee’s Reimbursement Account shall be returned to the Issuer upon full redemption of the Capital Securities if no acceleration of the Capital Securities pursuant to an Enforcement Event takes place.

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