

THE DISTRIBUTION OF THIS TERM SHEET AND THE OFFER ARE SUBJECT TO THE LAWS OF MALAYSIA. THIS TERM SHEET WILL NOT BE DISTRIBUTED OUTSIDE MALAYSIA. NO ACTION HAS BEEN TAKEN TO PERMIT THE OFFERING OF THE CALL WARRANTS IN ANY JURISDICTION OTHER THAN MALAYSIA. ACCORDINGLY, THIS TERM SHEET MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE AN OFFER FOR SUBSCRIPTION OR PURCHASE OR INVITATION TO SUBSCRIBE FOR OR PURCHASE, ANY CALL WARRANTS OUTSIDE MALAYSIA.

PRIVACY NOTICE

PURSUANT TO SECTION 7 OF THE PERSONAL DATA PROTECTION ACT 2010, AMBANK (M) BERHAD IS REQUIRED TO ISSUE A PRIVACY NOTICE TO YOU WITH REGARD TO COLLECTION AND MANAGEMENT OF YOUR PERSONAL DATA. THE PRIVACY NOTICE (IN ENGLISH AND BAHASA MALAYSIA VERSIONS) IS ATTACHED AS ANNEXURE II OF THE BASE PROSPECTUS DATED 29 SEPTEMBER 2023 FOR YOUR REFERENCE AND IS ALSO POSTED ON OUR WEBSITE AT [HTTPS://WWW.AMBANKGROUP.COM/ENG/BUSINESS/AMWARRANTS](https://www.ambankgroup.com/eng/business/amwarrants).

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INDICATIVE TIMETABLE

The indicative timeline leading up to the listing of quotation for the Call Warrants on the Structured Warrants Board of Bursa Securities is as follows:

<u>Tentative Dates</u>	<u>Event</u>
25 July 2024	: Launch of the Call Warrants
25 July 2024	: Allotment of the Call Warrants
26 July 2024	: Listing of the Call Warrants

THIS TIMETABLE IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. ANY CHANGES TO THIS TIMETABLE WILL BE ANNOUNCED ON BURSA SECURITIES' WEBSITE.

Note:-

The Price Fixing Date for the Call Warrants is 11 July 2024.

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DEFINITIONS *(cont'd)*

- Terms** : Term(s) and condition(s) of the Call Warrants contained in the Base Prospectus and this Term Sheet
- VWAP** : Volume-weighted average market price

This Term Sheet should be read in conjunction with and by reference to the Base Prospectus and the Supplementary Base Prospectuses.

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CORPORATE DIRECTORY

- ISSUER / MARKET MAKER** : AmBank (M) Berhad
Registration No. 196901000166 (8515-D)
22nd Floor, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur, Malaysia
Telephone No: 03-2059 8698
Website: www.ambankgroup.com
<https://www.ambankgroup.com/eng/Business/AmWarrants>
Email: ED-AS@ambankgroup.com
- STRUCTURED WARRANTS REGISTRAR** : Tricor Investor & Issuing House Services Sdn Bhd
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia
Telephone No: 03-2783 9299
Website: www.tricorglobal.com
- LISTING SOUGHT** : Structured Warrants Board of Bursa Securities

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1. TERMS AND CONDITIONS

The following are only part of the terms and conditions of the Call Warrants and should be read in conjunction with, and are qualified by reference to, the Base Prospectus, the Supplementary Base Prospectuses and the other information set out in this Term Sheet. Holders are bound by and are deemed to have notice of all provisions contained in the Deed Poll. Please note that the information set out herein may not be comparable to similar information provided by other issuers.

Issuer	: AmBank
Market Maker	: AmBank
Call Warrants	: Up to 80,000,000 European style non-collateralised cash-settled Call Warrants over SKPRES Shares with an exercise ratio of 3 Call Warrants : 1 SKPRES Share
Issue Date	: 25 July 2024
Issue Size	: Up to 80,000,000 Call Warrants
SKPRES	: SKP Resources Bhd
SKPRES Share(s)	: Ordinary shares of SKPRES, which are quoted on Bursa Securities
Exercise Ratio	: 3 Call Warrants : 1 SKPRES Share
Exercise Style	: European style (i.e. may only be exercised on the Expiry Date)
Exercise Period	: 5.00 p.m. on the Expiry Date only
Expiry Date	: 22 April 2025
Exercise Price	: RM1.35, being an amount equal to 107.91% of the Reference Price (as defined below). The Exercise Price shall be rounded to two (2) decimal places, subject to adjustments in accordance with the provisions of the Deed Poll.
Issue Price	: RM0.150, being an amount equal to (i) 35.97% of the Reference Price, (ii) divided by 3 (being the Exercise Ratio), rounded up to the nearest half sen.
Reference Price	: RM1.2510, being the one (1)-day VWAP of SKPRES Shares on the Price Fixing Date.
Implied Volatility	: 121.64%
Delta	: 64.59%
Gearing	: 2.78 times
Effective Gearing	: 1.80 times
Premium	: 43.88%

1. TERMS AND CONDITIONS (cont'd)

Settlement : Cash settlement only. The Call Warrants entitle the Holder to receive from us, within seven (7) Market Days from the Expiry Date, the Cash Settlement Amount in the Settlement Currency (if greater than zero), which shall be calculated as follows:

Cash Settlement Amount

$$= \frac{\text{Number of Call Warrants}}{\text{Exercise Ratio}} \times \frac{(\text{Closing Price} - \text{Exercise Price})}{\text{Exercise Ratio}} - \text{Exercise Expenses}$$

The “**Exercise Expenses**” will be borne by the Issuer and no charge shall be incurred by the Holders.

The Call Warrants will automatically terminate and cease to be valid at 5.00 p.m. on the Expiry Date if the Cash Settlement Amount after deduction of the Exercise Expenses, if any, is equal to or less than zero and the Issuer’s obligations in respect of the Call Warrants shall terminate absolutely. For the avoidance of doubt, the Holder shall not be required to pay or top-up the Exercise Expenses, if any, as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses, if any, is less than zero

Closing Price : The average VWAP of SKPRES 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

Board Lot : 100 Call Warrants

Settlement Currency : RM

Automatic Exercise : The Call Warrants shall be automatically exercised at 5.00 p.m. on the Expiry Date if the Cash Settlement Amount calculated in accordance with the Cash Settlement Amount formula after deduction of the Exercise Expenses, if any, is greater than zero (without the Holders having to deliver a valid exercise form and without notice of automatic exercise being given by the Issuer to the Holders). If the Expiry Date is not a Market Day then it shall be deemed to be exercised on the next following Market Day.

The Call Warrants will automatically terminate and cease to be valid at 5.00 p.m. on the Expiry Date if the Cash Settlement Amount after deduction of the Exercise Expenses, if any, is equal to or less than zero and the Issuer’s obligations in respect of the Call Warrants shall terminate absolutely. For the avoidance of doubt, the Holder shall not be required to pay or top-up the Exercise Expenses, if any, as the case may be, where the Cash Settlement Amount after deduction of the Exercise Expenses, if any, is less than zero

Listing : We have received Bursa Securities’ permission to list and quote the Call Warrants on the Official List of Structured Warrants Board of Bursa Securities

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1. TERMS AND CONDITIONS *(cont'd)*

The following are illustrations of the best and worst case scenario on an investment in Call Warrants:

Best case scenario	Worst case scenario
<p>The price of the SKPRES Shares rises substantially resulting in a significant increase in the price of the Call Warrants.</p> <p>If you hold the Call Warrants until its Expiry Date, the higher the Closing Price of SKPRES Shares exceeds the Exercise Price, the higher the Cash Settlement Amount you will receive after considering any transaction cost.</p> <p>If you sell the Call Warrants on Bursa Securities before its Expiry Date, with your selling price of the Call Warrants higher than the purchase price, you will realise a profit in your investment after considering any transaction cost.</p>	<p>The price of the SKPRES Shares falls significantly resulting in a significant decrease in the price of the Call Warrants.</p> <p>If you hold the Call Warrants until its Expiry Date and the Call Warrants expires out-of-money, the maximum loss will be your entire investment amount in the Call Warrants plus any transaction costs.</p>

2. RISK FACTORS

BEFORE INVESTING IN THE CALL WARRANTS, YOU SHOULD CONSIDER CAREFULLY THE RISK FACTORS AND OTHER INFORMATION CONTAINED IN THE BASE PROSPECTUS, THE SUPPLEMENTARY BASE PROSPECTUSES AND THE RISK FACTORS DESCRIBED BELOW IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS TERM SHEET.

Your investment decision should be based solely upon your own independent assessment of our financial conditions and affairs, and your own appraisal of our prospects, our creditworthiness, the Terms, SKPRES Shares and any other factors relevant to your decision, including the merits and risks involved.

2.1 Credit Risk

If you subscribe for or purchase the Call Warrants, you will be relying solely upon AmBank's creditworthiness as the issuer of the Call Warrants and of no other person. You do not have any recourse/rights against SKPRES. If we become insolvent or default on our obligations under the Call Warrants, you may not be able to recover all or even part of the amount due under the Call Warrants.

2.2 No investigation or review performed on SKPRES

We have not carried out any investigation or review of the business operations and prospects of SKPRES. Therefore, our issuance of Call Warrants does not represent a recommendation by us to invest in SKPRES Shares.

In addition, you should be aware that SKPRES has not participated in the preparation of the Base Prospectus, the Supplementary Base Prospectuses and this Term Sheet, or in establishing the Terms. As a consequence, there can be no assurance that all events occurring before the date of this Term Sheet that would affect the trading price of SKPRES Shares (and therefore the price of the Call Warrants) have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning SKPRES could affect the trading price of SKPRES Shares and therefore the trading price of the Call Warrants. Further, SKPRES has no obligation with respect to the settlement amount to be paid to you (if any) upon exercise of the Call Warrants, including any obligation to take into account, for any reason, our needs, or your needs.

2.3 Call Warrants are not principal protected and may expire worthless

The price of the Call Warrant may change more rapidly than the price of SKPRES Shares. Given the gearing feature inherent in the Call Warrants, a small change in the price of SKPRES Shares may lead to a substantial price movement in the Call Warrants. Unlike stocks, the Call Warrants have a limited life and will expire on the Expiry Date. In the worst case, the Call Warrants may expire and cease to be traded and can no longer be exercised. The Call Warrants will then cease to have any value and you will lose all of your investment.

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2. RISK FACTORS *(cont'd)*

2.4 The Call Warrants can be volatile

Prices of the Call Warrants may rise or fall rapidly. You should carefully consider, among other things, the prevailing trading price of the Call Warrants, the Exercise Price of the Call Warrants, the value and volatility of the price of SKPRES Shares, the time remaining to expiry, the interim interest rates and expected dividend payments or other distributions on SKPRES Shares, the liquidity of SKPRES Shares, the related transaction costs (including the exercise expenses, if any), the supply and demand for the Call Warrants and the creditworthiness of the Issuer.

2.5 Time decay

All other factors being equal, the value of a Call Warrant is likely to decrease over time. Therefore, the Call Warrants should not be viewed as a product for long term investments.

2.6 Adjustment related risks

The occurrence of certain events (including a rights issue or bonus issue by SKPRES, a subdivision and consolidation of SKPRES Shares and a restructuring event of SKPRES may entitle us to adjust the Terms of the Call Warrants. However, we are not obliged to adjust the Terms of the Call Warrants for every event that affects SKPRES Shares. Any adjustment or decision not to make any adjustment may adversely affect the value of the Call Warrants.

2.7 Value of Call Warrants may be affected by inherent sectorial risk of SKPRES's business

SKPRES is principally an investment holding company. Through its subsidiaries, SKPRES specializes in the manufacturing of plastic molds for electrical and electronic products, fabrication of plastic parts and components, contract manufacturing of consumer electronic products as well as components assembly services.

You should note that the occurrence of any material or adverse events in this industry may affect the performance of SKPRES Shares on Bursa Securities, which may consequentially affect the value of Call Warrants.

2.8 The Base Prospectus, the Supplementary Base Prospectuses and this Term Sheet are not the sole basis for making an investment decision

The Base Prospectus, the Supplementary Base Prospectuses and this Term Sheet do not take into account your investment objectives, financial situation or particular needs. Nothing in the Base Prospectus, the Supplementary Base Prospectuses or this Term Sheet should be construed as a recommendation by us or our affiliates to invest in the Call Warrants or SKPRES Shares.

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2. RISK FACTORS *(cont'd)*

2.9 COVID-19 endemic and possible similar future outbreaks

The ongoing COVID-19 endemic and any possible future outbreaks of disease may have significant adverse effect on the financial and business prospects of SKPRES. This may affect the performance of SKPRES Shares on Bursa Securities which would in turn affect the price of the Call Warrants.

The ongoing COVID-19 endemic and any possible future outbreaks could also affect AmBank's profits and financial position, hence potentially AmBank's ability to perform its obligations in respect of the Call Warrants. Should the impact of the ongoing COVID-19 endemic and any possible future outbreaks on global market conditions be continued or worsen, or lead to additional market disruption, AmBank could experience negative impacts to operations, financial position and prospects. Any material or prolonged negative conditions may lead to constraints on AmBank's capital and liquidity, a downgrade in credit ratings and an increased cost of capital. Accordingly, you should evaluate the Call Warrants on your own or consult your investment adviser.

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3. SUPPLEMENTAL GENERAL INFORMATION

3.1 Information on SKPRES

Information on SKPRES may be obtained from the following:

- (a) SKPRES's website, <https://www.skpres.com/>; and
- (b) Bursa Securities' website, <https://www.bursamalaysia.com>.

Please note, however, the information contained in the above websites does not form part of this Term Sheet, the Base Prospectus and the Supplementary Base Prospectuses.

3.2 Basis of Arriving at the Issue Price

The Issue Price of the Call Warrants of RM0.150 was based on an option pricing model which takes into account the interest rates, tenure and the Exercise Price of the Call Warrants, the volatility and expected dividend yields of SKPRES Shares.

3.3 Utilisation of Proceeds

For illustration purposes, based on the Issue Price of RM0.150, the Offer is expected to raise gross proceeds of up to RM12,000,000 which will be utilised in the following manner:

	Amount (RM)
(i) Working capital	11,950,000
(ii) Estimated expenses relating to the Offer	50,000
Total proceeds	12,000,000

We will bear all expenses and fees incidental to the listing of and quotation for the Call Warrants on the Structured Warrants Board of Bursa Securities. The expenses, which include professional fees, fees to the authorities and printing costs are estimated to be RM50,000.

3.4 Break-Even Analysis

Holders may calculate the break-even level for their investment in the Call Warrants by using the following formula:

$$\text{Break-even level} = \text{Exercise Price} + (\text{Purchase Price}^{(a)} \times \text{Exercise Ratio}) + \text{Exercise Expenses}^{(b)}$$

A positive payoff is only attainable if the price of SKPRES Shares exceeds the break-even level upon exercise of the Call Warrants.

Notes:

- (a) Purchase Price is the amount incurred by the investor for the purchase of one (1) unit of the Call Warrant in the primary or secondary market, and includes all relevant transaction costs such as stamp duty, clearing fee and brokerage charges, whichever is applicable.
- (b) Exercise Expenses will be borne by the Issuer and no charge shall be incurred by the Holders.

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3. SUPPLEMENTAL GENERAL INFORMATION *(cont'd)*

3.5 Market Making

We are the registered Market Maker for the Call Warrants pursuant to the Rules of Bursa Securities. We will be providing bid and offer quotes for the Call Warrants on the trading system of Bursa Securities on each Market Day, over the life of the Call Warrants on the following basis:

-

- (i) The minimum presence on each day that Bursa Securities is open for trading in the Call Warrants : 80% of trading hours
- (ii) The maximum spread of two-sided Market Making quotes : 10 bids
- (iii) The minimum quantity on each of the two-sided Market Making quotes : 50 Board Lots (5,000 units of Call Warrants)

There will be circumstances under which we may not be able to and will not be obliged to provide bid and offer quotes, or reply to a request for quotes. Such circumstances are set out in Section 5.2 of the Base Prospectus.

3.6 Further Issue

The Deed Poll allows us to create and issue further Call Warrants in respect of same series of Call Warrants ("**Further Issue**") without the consent or sanction of the existing Holders pursuant to the Base Prospectus. The Further Issue will form part of the existing Call Warrants in issue ("**Existing Issue**").

For the purpose of facilitating Market Making, we may apply for Further Issue in respect of this Call Warrants, subject to the following conditions:

- (i) the Further Issue is for the purpose of facilitating Market Making;
- (ii) the Terms 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 of the Further Issue and the Existing Issue must be identical except for the size and tenure of the issue; and
- (iv) we hold not more than 50% of the Existing Issue at the time of application for the Further Issue.

3.7 Agreements, Arrangements or Understanding

As at the LPD, there are no agreements, arrangements or understanding in place between us and/or AMMB Group, and any substantial shareholders of SKPRES, in relation to the issuance of the Call Warrants or which will have an effect on the issuance of the Call Warrants.

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3. SUPPLEMENTAL GENERAL INFORMATION (cont'd)

3.8 Consents

The Structured Warrants Registrar has, before the issuance of this Term Sheet, given and have not subsequently withdrawn their written consent to the inclusion in this Term Sheet of their names in the form and context in which such names appear.

3.9 Documents for Inspection

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

- (a) Our Constitution;
- (b) Base Prospectus and Supplementary Base Prospectuses;
- (c) Deed Poll;
- (d) Warrant Agency Agreement dated 2 May 2018 for our Structured Warrants;
- (e) The rating by RAM Ratings referred to in Section 4.3 of the Base Prospectus, Section 1.1.1 of the First Supplementary Base Prospectus dated 13 October 2023 and Section 1.1.2 of the Fifth Supplementary Base Prospectus dated 2 July 2024;
- (f) The letters of consent referred to in Section 9.3 of the Base Prospectus, Section 2.2 of the First Supplementary Base Prospectus dated 13 October 2023, Section 2.2 of the Fifth Supplementary Base Prospectus dated 2 July 2024 and Section 3.8 of this Term Sheet; and
- (g) Our Group's audited financial statements for the last 3 financial years ended 31 March 2022 to 2024.

3.10 Responsibility Statements

- (a) Our Directors have seen and approved this Term Sheet. Our Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Term Sheet 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 Term Sheet false or misleading.

Notwithstanding the foregoing, our Directors do not accept responsibility for the contents of information on SKPRES contained in this Term Sheet save for the fact that the information is an accurate extract or summary of relevant publicly released information.

- (b) We acknowledge that, based on all available information and to the best of our knowledge and belief, the Base Prospectus, the Supplementary Base Prospectuses and this Term Sheet constitute a full and true disclosure of all material facts concerning the Offer.

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