

**THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**THIS NOTICE IS FOR THE INFORMATION OF THE WARRANT HOLDERS (AS DEFINED HEREIN) ONLY. NO ACTION IS REQUIRED TO BE TAKEN IN RESPECT OF THIS NOTICE.**

If you have sold or transferred all your Warrants, you should at once hand this notice to Warrant Holders ("**Notice**") to the purchaser or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee respectively.

Pursuant to Paragraph 2.1(a) of Practice Note 18 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), Bursa Securities has not perused the contents of this Notice prior to issuance of this Notice and takes no responsibility for the contents of this Notice, 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 Notice.

**SUNWAY**®

**SUNWAY BERHAD**

(Registration No. 201001037627 (921551-D))  
(Incorporated in Malaysia)

**NOTICE TO WARRANT HOLDERS**

**IN RELATION TO THE:**

**ADJUSTMENTS TO THE EXERCISE PRICE AND THE NUMBER OF OUTSTANDING WARRANTS 2017/2024 IN SUNWAY BERHAD ("SUNWAY" OR "COMPANY") ("WARRANTS") IN ACCORDANCE WITH THE PROVISIONS OF THE DEED POLL DATED 19 SEPTEMBER 2017 CONSTITUTING THE WARRANTS, PURSUANT TO THE RENOUNCEABLE RIGHTS ISSUE OF UP TO 1,112,777,962 NEW IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") IN OUR COMPANY AT AN ISSUE PRICE OF RM1.00 PER ICPS ON THE BASIS OF ONE ICPS FOR EVERY FIVE EXISTING ORDINARY SHARES IN OUR COMPANY HELD BY OUR ENTITLED SHAREHOLDERS AT 5.00 P.M. ON 6 NOVEMBER 2020 ("RIGHTS ISSUE OF ICPS")**

This Notice is dated 11 November 2020

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Notice:

- Additional Warrants** : Additional Warrants to be issued pursuant to the Adjustments in accordance with the provisions of the Deed Poll as a consequence of the Rights Issue of ICPS
- Adjustments** : Adjustments to the Exercise Price and the number of outstanding Warrants in accordance with the provisions of the Deed Poll pursuant to the Rights Issue of ICPS
- BDO PLT** : BDO PLT, being the Reporting Accountants for the Rights Issue of ICPS
- Board** : Our Board of Directors
- Bursa Depository** : Bursa Malaysia Depository Sdn Bhd
- Bursa Securities** : Bursa Malaysia Securities Berhad
- CDS** : Central Depository System
- Conversion Price** : Conversion price per ICPS, being RM1.00 per Sunway Share, subject to any applicable adjustments
- Corporate Exercises** : Collectively, the Rights Issue of ICPS and the amendments to the Constitution of our Company to facilitate the issuance of the ICPS which was approved by our shareholders at an extraordinary general meeting of our Company on 2 September 2020
- Deed Poll** : The deed poll dated 19 December 2017, constituting the Warrants and governing the rights of Warrant Holders entered into by our Company
- Entitled Shareholders** : Our shareholders whose names appear in the Record of Depositors of our Company as at the close of business on the Entitlement Date
- Entitled Warrant Holders** : Our Warrant Holders whose names appear in the Record of Depositors for Warrants of our Company as at the close of business on the Entitlement Date
- Entitlement Date** : 6 November 2020 at 5.00 P.M., being the date and time at which:
- (i) our shareholders whose names appear in the Record of Depositors of our Company to be entitled to subscribe for the ICPS; and
  - (ii) our Warrant Holders whose names appear in the Record of Depositors of our Company to be entitled to the Additional Warrants
- Exercise Price** : The sum payable for every new Sunway Share to be issued pursuant to the exercise of each Warrant, subject to a fixed annual step-down of RM0.07 per year on each anniversary date of the issuance of the Warrants and to the adjustments under the circumstances in accordance with the provisions of the Deed Poll
- ICPS** : Irredeemable convertible preference shares in our Company to be issued under the Rights Issue of ICPS
- Market Day(s)** : Any day on which Bursa Securities is open for trading in securities

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**DEFINITIONS (CONT'D)**

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<b>Notice</b>	:	This notice to the Warrant Holders dated 11 November 2020
<b>Official List</b>	:	A list specifying all securities listed on the Main Market of Bursa Securities
<b>Record of Depositors</b>	:	A record of securities holders of our Company established and maintained by Bursa Depository under the Rules of Bursa Depository
<b>RHB Investment Bank or Sole Principal Adviser</b>	:	RHB Investment Bank Berhad, being the Sole Principal Adviser for the Rights Issue of ICPS
<b>Rights Issue of ICPS</b>	:	Renounceable rights issue of up to 1,112,777,962 ICPS at the issue price of RM1.00 on the basis of one ICPS for every five existing Shares held by our Entitled Shareholders on the Entitlement Date
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>SC</b>	:	Securities Commission Malaysia
<b>Sunway or Company</b>	:	Sunway Berhad
<b>Sunway Group or Group</b>	:	Collectively, our Company and our subsidiaries
<b>Sunway Share(s) or Share(s)</b>	:	Ordinary share(s) in our Company
<b>VWAP</b>	:	Volume-weighted average market price
<b>Warrants</b>	:	Outstanding warrants 2017/2024 issued by our Company on 4 October 2017 constituted under the Deed Poll
<b>Warrant Holders</b>	:	Holders of the Warrants

All references to “you” or “your” in this Notice are to Warrants Holders.

Words denoting the singular shall, where applicable, include the plural and *vice versa* and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. Reference to persons shall include corporations, unless otherwise specified.

Any reference in this Notice to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Notice shall be a reference to Malaysian time, unless otherwise stated.

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# SUNWAY®

## SUNWAY BERHAD

(Registration No. 201001037627 (921551-D))  
(Incorporated in Malaysia)

### Registered office

Level 16, Menara Sunway  
Jalan Lagoon Timur  
Bandar Sunway  
47500 Subang Jaya  
Selangor Darul Ehsan  
Malaysia

11 November 2020

### Board of Directors

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO (*Executive Chairman; Non-Independent Executive Director*)

Dato' Sri Idris Jala (*Non-Executive Co-Chairman; Independent Non-Executive Director*)

Tan Sri Datuk Seri Razman M Hashim (*Deputy Executive Chairman; Non-Independent Executive Director*)

Tan Sri Dato' (Dr.) Chew Chee Kin (*President; Non-Independent Executive Director*)

Sarena Cheah Yean Tih s.m.s (*Executive Director; Non-Independent Executive Director*)

Tan Sri Dato' Dr. Lin See Yan (*Independent Non-Executive Director*)

Tan Sri Datuk Dr Rebecca Fatima Sta Maria (*Independent Non-Executive Director*)

Philip Yeo Liat Kok (*Independent Non-Executive Director*)

Datuk Tong Poh Keow (*Independent Non-Executive Director*)

### To: Our Warrant Holders

Dear Sir/Madam,

### ADJUSTMENTS TO THE EXERCISE PRICE AND NUMBER OF OUTSTANDING WARRANTS IN ACCORDANCE WITH THE PROVISIONS OF THE DEED POLL PURSUANT TO THE RIGHTS ISSUE OF ICPS

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#### 1. INTRODUCTION

On 27 May 2020, RHB Investment Bank had, on behalf of our Board, announced that our Company proposes to undertake the Corporate Exercises.

On 6 July 2020, RHB Investment Bank had, on behalf of our Board, announced the following:

- (i) the Rights Issue of ICPS is to be undertaken on a minimum subscription basis instead of a full subscription basis to raise a minimum of RM612.7 million; and
- (ii) the Conversion Price will be fixed on a date to be determined and announced by our Board after all relevant approvals have been obtained and at the lower of:
  - (a) RM1.00 per Sunway Share; and
  - (b) an RM amount equivalent to up to 20% discount to the five-day VWAP of Sunway Shares immediately before the price-fixing date.

On 10 August 2020, RHB Investment Bank had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 7 August 2020, approved the following:

- (i) admission of up to 1,112,777,962 ICPS to the Official List;
- (ii) listing and quotation of the following on the Main Market of Bursa Securities:
  - (a) up to 1,112,777,962 ICPS;
  - (b) up to 1,390,972,453 new Shares to be issued pursuant to the conversion of the ICPS;
  - (c) up to 67,495,505 Additional Warrants to be issued pursuant to the Adjustments; and
  - (d) up to 67,495,505 new Shares to be issued pursuant to the exercise of the Additional Warrants,

On 2 September 2020, our shareholders had approved the Corporate Exercises at our extraordinary general meeting.

On 22 October 2020, RHB Investment Bank had, on behalf of our Board, announced that:

- (i) our Board had resolved to fix the Conversion Price at RM1.00 per Sunway Share, being the lower of RM1.00 per Sunway Share and RM1.10 per Sunway Share which represents approximately 20% discount to the 5-day VWAP of Sunway Shares up to and including 21 October 2020, being the date immediately before such price fixing date, of RM1.37 per Sunway Share; and
- (ii) the Entitlement Date for the Rights Issue of ICPS has been fixed at 5.00 p.m. on 6 November 2020.

Accordingly, our Entitled Warrant Holders whose names appear in our Record of Depositors for Warrants on the Entitlement Date are entitled to the Adjustments.

On 10 November 2020, our Company despatched the abridged prospectus dated 6 November 2020, notice of provisional allotment and rights subscription form in relation to the Rights Issue of ICPS to our Entitled Shareholders.

**THE PURPOSE OF THIS NOTICE IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION PERTAINING TO THE ADJUSTMENTS AND THE ADDITIONAL WARRANTS WHICH YOU WILL RECEIVE AS INDICATED IN THE NOTICE OF ALLOTMENT SENT TOGETHER WITH THIS NOTICE. THIS NOTICE ALSO INCLUDES BRIEF PARTICULARS OF THE EVENTS GIVING RISE TO THE ADJUSTMENTS TOGETHER WITH THE RELEVANT COMPUTATIONS AND THE EFFECTIVE DATE OF THE ADJUSTMENTS. NO ACTION IS REQUIRED TO BE TAKEN BY YOU IN RESPECT OF THIS NOTICE.**

## **2. RATIONALE FOR THE ADJUSTMENTS**

Pursuant to the Rights Issue of ICPS and in accordance with the provisions of the Deed Poll, the Exercise Price and the outstanding number of Warrants held by the Warrant Holders are required to be adjusted to ensure that the status of the Warrant Holders would not be prejudiced after the completion of the Rights Issue of ICPS. The details of the Adjustments are set out in the ensuing Section 3.

The Adjustments have been reviewed and certified to be in accordance with the provisions of the Deed Poll by BDO PLT vide its letter dated 9 November 2020.

### 3. DETAILS OF THE ADJUSTMENTS

#### 3.1. Details of the Adjustments

As at the Entitlement Date, our Company has 629,958,045 Warrants in issue, which are exercisable into 629,958,045 new Sunway Shares at an Exercise Price of RM1.65 each.

Pursuant to the Deed Poll, if and whenever our Company makes any offer or invitation to Shareholders by way of rights where our Shareholders may acquire or subscribe for securities convertible into Shares or rights to acquire or subscribe for Shares, then for each of such case, the Exercise Price of the Warrants and the number of outstanding Warrants shall be adjusted, calculated or determined in the following manner:

(i) Adjustment of the Exercise Price of the Warrants:

$$\text{Adjusted exercise price} = \text{Existing exercise price} \times \frac{C - D}{C}$$

(ii) Adjustment to the number of outstanding Warrants:

$$\text{Adjusted number of Warrants} = \text{Existing number of Warrants} \times \frac{C}{C - D}$$

Based on the outstanding 629,958,045 Warrants and the existing Exercise Price of the Warrants of RM1.65 per Sunway Share as at the Entitlement Date, and the Conversion Price of RM1.00 per Sunway Share, the details of the adjustments to the Exercise Price and outstanding number of Warrants pursuant to the Rights Issue of ICPS are set out below:

<u>Abbreviations</u>	<u>Our Company's position</u>
C = The current market price of each Share on the Market Day immediately preceding the date on which the offer or invitation is publicly announced to Bursa Securities	RM1.55, being the five-day VWAP of each Sunway Share up to and including 27 May 2020, being the last Market Day immediately preceding the date on which the Rights Issue of ICPS is publicly announced.
D = The value of rights attributable to one Share which shall be calculated in accordance with the following formula: $\frac{C - E}{F + 1}$	$D = \frac{1.55 - 1.00}{5 + 1}$ $= 0.09$

Where:

C = as C above;

**Abbreviations****Our Company's position**

E	=	the subscription consideration for one additional Share under the terms of such offer or invitation or subscription price of one additional Share upon conversion of the convertible securities or exercise of such rights to acquire or subscribe for one Share under the offer or invitation;
F	=	the number of Shares which is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share or such number of securities convertible into Shares or rights to acquire or subscribe for one additional share

**3.2. Adjustment to the Exercise Price of the Warrants**

The Exercise Price of the Warrants shall be adjusted as follows:

$$\begin{aligned}
 \text{Adjusted Exercise Price} &= \text{Existing Exercise Price} \times \frac{C - D}{C} \\
 &= \text{RM1.65} \times \frac{1.55 - 0.09}{1.55} \\
 &= \text{RM1.56}
 \end{aligned}$$

**3.3. Adjustment to the number of outstanding Warrants**

The number of the outstanding Warrants shall be adjusted as follows:

$$\begin{aligned}
 \text{Adjusted number of Warrants} &= \text{Existing number of Warrants} \times \frac{C}{C - D} \\
 &= 629,958,045 \times \frac{1.55}{1.55 - 0.09} \\
 &= 669,555,408 \\
 \text{Additional Warrants to be issued} &= \text{Adjusted number of Warrants} - \text{Existing number of Warrants} \\
 &= 669,555,408 - 629,958,045 \\
 &= 39,597,363^*
 \end{aligned}$$

*\*Excluding fractional entitlements*



Based on the above, the number of Additional Warrants to be issued arising from the Adjustments is 39,597,363 Additional Warrants. As fractional entitlements are disregarded in accordance with the Deed Poll, the actual number of Additional Warrants issued is 39,555,548 Additional Warrants. The number of Additional Warrants issued to each Entitled Warrant Holder will be stated in the respective notice of allotment of Additional Warrants to the Entitled Warrant Holders.

### 3.4. Summary of Adjustments

Based on the computations in Sections 3.2 and 3.3 of this Notice, a summary of the Adjustments is as follows:

	Before the Adjustments	After the Adjustments
Exercise Price	RM1.65	RM1.56
No. of Warrants	629,958,045	669,513,593

The Adjustments were determined and approved by our Board and certified by BDO PLT vide its letter dated 9 November 2020 that the Adjustments as set out in Sections 3.2 and 3.3 above are in accordance with the provisions of the Deed Poll.

Save for the Adjustments mentioned above, the rights and obligations of the Warrant Holders remain unchanged.

## 4. RANKING OF ADDITIONAL WARRANTS AND NEW SUNWAY SHARES ARISING FROM THE EXERCISE OF THE ADDITIONAL WARRANTS

### 4.1 Ranking of the Additional Warrants

The Additional Warrants shall form part of the series of the existing Warrants constituted by the Deed Poll.

The Additional Warrants shall upon allotment and issuance, rank *pari passu* in all respects with each other and the existing Warrants. They do not entitle you to any dividends, rights, allotments and/or any form of distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment and issuance of the new Shares to be issued arising from the exercise of the Warrants. The Warrants do not entitle you to any voting rights in any general meeting of our Company until and unless you exercise the Warrants for new Shares.

As the Warrants are prescribed securities, the Additional Warrants will be credited directly to your CDS account. The notice of allotment is sent together with this Notice. No physical Warrant certificate will be issued to you in respect of the Additional Warrants.

### 4.2 Ranking of new Shares to be issued arising from the exercise of the Additional Warrants

The new Shares arising from the exercise of the Additional Warrants shall upon allotment and issuance, rank *pari passu* in all respects with the then existing Sunway Shares in issue, save and except that the new Shares will not be entitled to any rights, allotments, dividends and/or other forms of distribution that may be declared, made or paid to our Shareholders, where the entitlement date of which is prior to the date of allotment and issuance of the new Shares to be issued arising from the exercise of the Additional Warrants.

## 5. EFFECTIVE DATE OF THE ADJUSTMENTS

In accordance with Condition 2(iv) of the Third Schedule of the Deed Poll, the Adjustments will be effective from 9 November 2020, being the next Market Day following the Entitlement Date (“**Effective Date**”). However, the Additional Warrants will be listed and quoted simultaneously with the ICPS on the Main Market of Bursa Securities on 8 December 2020.

Notwithstanding that the Adjustments are effective from the Effective Date, new Shares to be issued pursuant to the exercise of the Additional Warrants will only be allotted and issued on or after the Additional Warrants are listed and quoted on the Main Market of Bursa Securities on 8 December 2020.

## 6. CONSENT

BDO PLT has given and has not subsequently withdrawn its written consent to the inclusion in this Notice of its name and all references thereto in the form and context in which they appear in this Notice.

## 7. DIRECTORS’ RESPONSIBILITY STATEMENT

This Notice has been seen and approved by our Board and they individually and collectively accept full responsibility for the accuracy of the information given in this Notice and confirm that after making all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements contained in this Notice or any other facts, the omission of which would make any statement/information in this Notice misleading.

## 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia during normal business hours from Monday to Friday (except public holidays) following the date of this Notice up to and including the earlier of the date on which the last Warrant is exercised or 3 October 2024, being the maturity date of the Warrants:-

- (i) the Deed Poll;
- (ii) a report from the Reporting Accountants of our Company, namely BDO PLT, dated 9 November 2020 certifying the Adjustments;
- (iii) a statement from our Board dated 9 November 2020 on the particulars of the event giving rise to the Adjustments, the adjusted exercise price, number of Additional Warrants and the effective date of the Adjustments; and
- (iv) the letter of consent referred to in Section 6 above.

Yours faithfully,  
For and on behalf of the Board of  
**SUNWAY BERHAD**

**TAN SRI DATO’ (DR.) CHEW CHEE KIN**  
*President, Non-Independent Executive Director*