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Bagan Capital Ltd

Company No. LL12982

(incorporated in the Federal Territory of Labuan, Malaysia with limited liability under the Labuan Companies Act, 1990)

USD398,800,000

Exchangeable Trust Certificates due 2021

ISIN XS1486565507

exchangeable into ordinary shares of par value of HKD0.10 each of

Beijing Enterprises Water Group Limited

with recourse to

Khazanah Nasional Berhad

Company No. 275505-K

(incorporated in Malaysia with limited liability under the Companies Act, 1965)

NOTICE TO CERTIFICATEHOLDERS

Kuala Lumpur, 25 October 2016

Adjustments made to Exchange Property in respect of the Exchangeable Trust Certificates due 2021 exchangeable into ordinary shares of HKD0.10 each of Beijing Enterprises Water Group Limited ("BEWG") ("BEWG Shares") issued by Bagan Capital Ltd ("Bagan") (the "Certificates")

Khazanah Nasional Berhad ("**Khazanah**"), acting in its capacity as Wakeel, on behalf of Bagan gives notice to Certificateholders (pursuant to Condition 7(h) of the Conditions of the Certificates (the "**Conditions**")) of adjustments to be made to the Exchange Property pursuant to the payment of a Capital Distribution in the form of a cash dividend by BEWG, as further described below.

Interim Cash Dividend

On 30 August 2016, BEWG declared its interim dividend of HKD0.059 per BEWG Share for the six months ended 30 June 2016 (the "**Dividend**"). The Dividend was paid on 14 October 2016.

Adjustment to Exchange Property

Pursuant to Condition 7(g)(2) of the Conditions of the Certificates, the Capital Distribution by way of a cash dividend payment by BEWG of HKD0.059 per BEWG Share constitutes a Relevant Event and, accordingly, the cash attributable to the Exchange Property, being HKD23,591,548.72, shall be included as part of the Exchange Property. Consequently, the Exchange Property has been revised to 399,856,758 BEWG Shares and HKD23,591,548.72 in cash effective from 14 October 2016. The Exchange Ratio per USD1,000 in nominal value of the Certificates has been revised to 1,002.6498 BEWG Shares and HKD59.16 in cash.

All capitalized terms not otherwise defined herein have the same meanings given to them in the Conditions.

This notice should be read in conjunction with BEWG's announcement to Hong Kong Stock Exchange in respect of the Interim Dividend dated 30 August 2016 and the Conditions set out in the Offering Circular dated 20 September 2016 relating to the Certificates.

Khazanah Nasional Berhad
25 October 2016