



MAA GROUP BERHAD

(Registration No.: 199801015274 (471403-A))
13th Floor, No. 566, Jalan Ipoh, 51200 Kuala Lumpur
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PRIVATE AND CONFIDENTIAL

Date:

Board of Statutory Auditors

- Mr Stefano Ruzzier
- Mr Richard Paul Murphy
- Mr Mario Ardissonne

And

KPMG S.p.A.

Via Vittor Pisani 25

20124 Milan

Italy

K.a.: Mr Stefano Azzolari

(collectively, the "Auditors")

LETTER OF ASSURANCE

Premises

- A) FBM Hudson Italiana S.p.A. (the "Company") is fully owned by KNM Europa B.V. (the "Sole Shareholder") and ultimately by KNM Group Berhad (the "Ultimate Holding Company");
- B) The Ultimate Holding Company has resolved to increase the capital of the Company, by no later than 31st December 2022, by an amount of 5 Million EUR, deriving from the proceeds of a material assets disposal (the "BORSIG Disposal") which the Ultimate Holding Company is expected to complete on or before 30 November 2022 (the "Announced Closing Date");
- C) The said increase of capital is an essential pre-condition for the Auditors' completion of the statutory audit on the Company's FY2021 results;
- D) The delays in the BORSIG Disposal have in turn caused a delay in the increase of capital of the Beneficiary, which have been detrimental to the timely completion of the statutory audit on the Company's financial statements for FY2021 under Italian laws;

- E) The Auditors expects and requests the Company to produce either (a) the subscribed and paid up increase of capital, as described under Premise letter B), or (b) alternatively an assurance from one of the shareholders, having a substantial effect;
- F) We, MAA Group Berhad are the majority shareholder of the Ultimate Holding Company and we are a public listed company in the Bursa Malaysia Securities Berhad (“Bursa Malaysia”);
- G) We intend to focus on the growth of the Company (and its business) as part of our future strategic investment plan.


The Assurance

1. We hereby confirm that we have a clear understanding of the strategy and business plan of the Company, including the Company's planned capital increase, in connection with the BORSIG Disposal, and the projected funding requirements for at least the next 12 months.
2. We confirm that we will not do anything to intentionally jeopardise the ability of the Beneficiary to operate as a going concern and to settle its liabilities as they fall due, which will include in particular, not seeking the repayment of amounts advanced to the Company by the Ultimate Holding Company and/or other members of its group of companies unless adequate alternative financing has been secured by the Company.
3. As far as the immediate needs arising from the resolved capital increase are concerned, in our capacity as a shareholder of the Ultimate Holding Company, we hereby declare to and assure the Auditors of the following:
 - a) Upon the Closing of the BORSIG Disposal taking place in accordance with the Share Sale and Purchase Agreement executed and notarized on 23rd May 2022, we will ensure and cause the Ultimate Holding Company to utilise the part of the proceeds thereof in the amount sufficient to meet the requirements of the increase of share capital of the Company, as per the Ultimate Holding Company's Resolution dated 27 October 2022 (the “Shareholder's Resolution”); or
 - b) If the Closing of the BORSIG Disposal does not take place at all, we will ensure and cause a third party to undertake the increase of share capital of the Company in place of the Ultimate Holding Company or the Sole Shareholder upon substantially the same conditions as per the Shareholder's Resolution.
4. In providing this assurance, we have taken full account of our own funding requirements, obligations and commitments for the same period as this letter covers. We have also ensured, to the best of our knowledge and belief, that the provision of this assurance does not contravene any law, regulation, financing agreement, loan covenant or other contractual arrangement governing or materially impacting upon the operation of the Ultimate Holding Company.

5. We acknowledge and accept that the Company is the most valuable asset in the Ultimate Holding's group of companies, besides BORSIG Group, and that a capital increase is a vital, mandatory requirement for the Company to meet the Auditors' requests.
6. This Letter is issued in accordance with the Bursa Malaysia's requirements and the applicable laws in Malaysia about RPT – Related Parties Transactions.
7. This Letter is governed by the laws of Malaysia and is subject to the exclusive jurisdiction of the Malaysian Courts.
8. Nothing in this Letter is construed or may be interpreted as to setting up a partnership, a joint venture, an association or any other legal entity between the Company, the Auditors and us.
9. This Letter will remain in effect until the increase of share capital of the Company is completed as described under Premise letter B) or for a period of 12 months from the date when the financial statements of the Company for the period ended 30 June 2022 are signed by the Auditors, whichever is earlier.
10. For the avoidance of any doubts, nothing in this Letter prevents the Company from raising capital, in any other manner not inconsistent with the increase of capital under the terms and conditions under the Shareholder's Resolution or the alternative form set up by us in the ordinary course of business.

Executed in 3 (three) originals

Yours faithfully
MAA Group Berhad



Tunku Dato' Yaacob Khyra
Executive Chairman

For acceptance

Board of Statutory Auditors

KPMG S.p.A.

