



STRICTLY PRIVATE AND CONFIDENTIAL

PRICING SUPPLEMENT dated 17 MAR 2021

**PAVILION REIT BOND CAPITAL BERHAD
(Registration No. 201501002096 (1127428-K))**

**MEDIUM TERM NOTE PROGRAMME OF RM8.0 BILLION
IN NOMINAL VALUE**

Issuance No: 1 - Tranche (U) 2021-B

Issue of

RM100,000,000.00 Nominal Amount of MTNs due on 25 March 2026

This document ("**Pricing Supplement**") is issued to give details of an issue of MTNs by **PAVILION REIT BOND CAPITAL BERHAD (Registration No. 201501002096 (1127428-K))** ("**Issuer**") under its Ringgit Malaysia Eight Billion (RM8,000,000,000) Nominal Value Medium Term Note programme ("**MTN Programme**").

This Pricing Supplement is to be read in conjunction with the terms and conditions of the MTNs ("**Conditions**") set out in the trust deed dated 13 January 2016 made between the Issuer, MTrustee Berhad in its capacity as trustee for Pavilion REIT ("**REIT Trustee**"), Pavilion REIT Management Sdn Bhd in its capacity as manager for Pavilion REIT ("**REIT Manager**") and Malaysian Trustees Berhad as the trustee ("**Bond Trustee**"), which is made a part hereof as if set forth herein and all documents incorporated by reference therein (together with the supplemental trust deed dated 18 April 2019, collectively, the "**Trust Deed**") and the deed of covenants (Issue 1) dated 1 March 2016 made between the Issuer, the Bond Trustee, the REIT Manager, the REIT Trustee, Alliance Investment Bank Berhad in its capacity as the security agent, Maybank Investment Bank Berhad in its capacity as the facility agent and CIMB Investment Bank Berhad and Maybank Investment Bank Berhad in their capacities as the joint lead managers ("**Joint Lead Managers**") ("**Deed of Covenants (Issue 1)**"). Unless otherwise defined in this Pricing Supplement, capitalised terms used herein have the same meaning as in the Conditions.

The establishment of the MTN Programme and the issuance of the MTNs under the MTN Programme has each been duly authorised by a resolution of the Board of Directors' of the Issuer dated 22 May 2015 and 30 July 2015.

The Issuer has authorised RHB Investment Bank Berhad as the sole lead manager for this issuance ("**Tranche Lead Manager**") and/or their affiliates to circulate or distribute this Pricing Supplement on its behalf in respect of or in connection with the proposed offer or invitation to subscribe for and issue of the MTNs to prospective investors who fall within the ambit of the Selling Restrictions for the purpose of the sale of this issue of MTNs described

herein pursuant to the MTN Programme and that no further evidence of authorisation is required.

This Pricing Supplement is for information purposes only and does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction.

This Pricing Supplement and its contents are strictly confidential and are made strictly on the basis that the recipient shall ensure that they will remain confidential. Accordingly, this Pricing Supplement and its contents, or any information, which is made available in connection with any further enquiries, must be held in complete confidence.

This Pricing Supplement is sent to selected persons who fall within the ambit of the Selling Restrictions. Any person who receives this Pricing Supplement who does not fall within the ambit of the Selling Restrictions must immediately notify the Tranche Lead Manager and return this Pricing Supplement to the Tranche Lead Manager or the Issuer.

In the event that there is any contravention of this confidentiality undertaking or there is reasonable likelihood that this confidentiality undertaking may be contravened, the Issuer may, at its discretion, apply for any remedy available to the Issuer whether at law, equity, including without limitation, injunctions. The Issuer is entitled to fully recover from the contravening party all costs, expenses and losses incurred and/or suffered, in this regard. For the avoidance of doubt, the recipient, the recipient's professional advisers, directors, employees and any other persons who may receive this Pricing Supplement or any part of it from the recipient shall be deemed to have agreed to abide by this confidentiality undertaking.

The recipient must return this Pricing Supplement and any other information in connection therewith to the Tranche Lead Manager promptly upon the Tranche Lead Manager's request.

***THE DISTRIBUTION OF THIS PRICING SUPPLEMENT AND THE OFFERING OR SALE OF THE MTNS IS SUBJECT TO THE SELLING RESTRICTIONS. PERSONS INTO WHOSE POSSESSION THIS PRICING SUPPLEMENT COMES INTO ARE REQUIRED BY THE ISSUER, THE JOINT LEAD ARRANGERS AND THE TRANCHE LEAD MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE SUCH RESTRICTION. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF THE MTNS AND ON DISTRIBUTION OF THIS PRICING SUPPLEMENT, SEE "SELLING RESTRICTIONS" IN THE TRUST DEED.**

Specific Final Terms

The following items under this heading “**Specific Final Terms**” are some of the particular terms which relate to the MTNs to which this Pricing Supplement relate. In case of any conflict between such terms and the terms and conditions set forth in the Trust Deed, the terms set forth in this Pricing Supplement shall govern.

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| 1. Issuer | : | PAVILION REIT BOND CAPITAL BERHAD |
| 2. Type of Issue | : | Unrated |
| 3. Issue No. | : | 1 |
| 4. Tranche No. | : | Tranche (U) 2021-B |
| 5. Classes (if applicable) | : | Not applicable |
| 6. Series (if applicable) | : | Not applicable |
| 7. Nominal Amount | : | RM100,000,000.00 |
| 8. Issue Date | : | 25 March 2021 |
| 9. Expected Maturity Date | : | 25 March 2026 |
| 10. Legal Maturity Date | : | 24 March 2028 |
| 11. Issue Expected Tenure | : | Five (5) years |
| 12. Issue Legal Tenure | : | Seven (7) years |
| 13. Coupon Rate | : | Floating.
3 months KLIBOR plus 1.10% per annum
(applicable to the first 5 years commencing from the
Issue Date of the MTNs of this Tranche) |

The KLIBOR and final coupon rate shall be determined by the Facility Agent three (3) Business Days prior to issuance and thereafter, two (2) Business Days prior to commencement of each relevant coupon period.

The KLIBOR is to be based on the rates appearing on Thomson Reuters page “KLIBOR=” (or such other page as may replace “KLIBOR=” on Thomson Reuters) for deposits in Ringgit for the relevant coupon period provided that if such rate is not available for any reason whatsoever, it shall be the cost to the Subscriber of subscribing the MTN from whatever source it may reasonably select.

14. **Stepped-up Coupon Rate** : 1.0% p.a. above the Coupon Rate (applicable from the sixth (6th) year onward after the Issue Date of the MTNs of this Tranche)
15. **Coupon Payment Frequency & basis** : Quarterly
Actual/365
16. **Redemption Basis** : Redemption at par
17. **Rating (only applicable for rated issuance)** : Not rated
18. **Utilisation of Proceeds** : Advancing to Pavilion REIT to refinance up to RM100.0 million of the existing banking facility of RM406.76 million granted by Public Bank Berhad to Pavilion REIT for the acquisition of DA MEN Mall.

In each case, in accordance with the REIT Trust Deed and the REIT Guidelines.
19. **Secured Properties** : **Pavilion Tower**
Pavilion Tower, 75, Jalan Raja Chulan, 50200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia

Pavilion Kuala Lumpur Mall
Pavilion Kuala Lumpur Mall, 168, Jalan Bukit Bintang, 55100 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia
20. **Conditions Precedent in relation to the MTNs under this Tranche** : (1) Receipt of a copy of the Issue Request by RHB Bank Berhad as the subscriber (“**Subscriber**”) at least fourteen (14) Business Days in advance of the issuance of the MTNs under this Tranche (or such period as may be agreed by the Subscriber).

(2) Receipt of the letter of redemption from Public Bank Berhad relating to the banking facilities which is to be partially refinanced utilising the proceeds from the issuance of the MTNs under this Tranche.

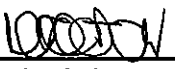
(3) Receipt of the confirmation that an amount equivalent to six (6) months coupon payment of the issuance of the MTNs under this Tranche has been deposited into the relevant Debt Service Reserve Account.

- (4) Receipt of a legal opinion from the solicitor (acceptable to the Subscriber) confirming that (i) all documents relating to the issuance of the MTNs under this Tranche have been executed; and (ii) all conditions precedent in relation to the issuance of the MTNs under this Tranche have been complied with.
- (5) Receipt of valuation reports (which is dated no later than one (1) year prior to the Issue Date of the MTNs under this Tranche) in respect of the Secured Properties confirming that the market value of the Secured Properties is of aggregate not less than RM4,933 million.
- (6) Receipt of the Issuer's confirmation that the Financial Covenants are complied with and will continue to be complied with after the issuance of the MTNs under this Tranche.
- (7) Receipt of confirmation of payment of subscription fee.
- (8) Receipt of evidence that consents from any existing financiers, existing MTN holders, chargees or any other relevant parties in connection with the Subscriber's subscription of the MTNs under this Tranche have been obtained and remain valid, if applicable.
- (9) Receipt of a list of the REIT Trustee's and the REIT Manager's authorised signatories and their respective specimen signatures.
- (10) Receipt of a legal opinion from the solicitor (acceptable to the Subscriber) confirming that the relevant Security Documents and the Transaction Documents relating to the MTNs under this Tranche under the same Issue subscribed by the existing MTN holders are legal, valid, binding and enforceable.
- (11) No Trigger Events and/or Events of Default has occurred and continues to subsist.

- 21. Other terms and conditions** :
- (1) Security Margin of no less than two (2.0) times computed based on the aggregate nominal value of the MTNs outstanding under Issue 1 and the principal amount of any other indebtedness outstanding which is secured against the Secured Properties. Further details are set out in the Deed of Covenants for Issue 1.
 - (2) A current account shall have been opened and maintained with the Subscriber.
 - (3) RHB Insurance Berhad shall be given the opportunity to participate in the co-insurance of the Secured Properties.
 - (4) Such other existing terms and conditions of the same Issue with the existing MTN holders and the MTN Programme.
 - (5) Interest Coverage Ratio at issue level shall not be less than 2.0 times.
 - (6) Gearing Ratio at Pavilion REIT level shall not exceed 0.5 times.

RESPONSIBILITY

The Issuer, having made all enquiries as were reasonable, and confirms that the information contained in this Pricing Supplement is in accordance with the facts and is not false and is not misleading in any material respect.

Signed on behalf of the Issuer:
By: 
Duly authorised signatory