

PRICING SUPPLEMENT



LBS BINA GROUP BERHAD
(Registration No. 200001015875 (518482-H))

Issuance of RM93.0 million in nominal value of Perpetual Sukuk Musharakah pursuant to an unrated Perpetual Sukuk Musharakah Programme of RM700.0 Million

Lead Arranger and Lead Manager



RHB INVESTMENT BANK BERHAD
(Registration No. 197401002639 (19663-P))

The date of this Pricing Supplement is 16 July 2021

This document ("**Pricing Supplement**") is issued to give details of the proposed issue of tranche 1 of Series 2 of the Perpetual Sukuk Musharakah of RM93.0 million in nominal value ("**Subject Perpetual Sukuk Musharakah**") pursuant to an unrated Perpetual Sukuk Musharakah Programme of RM700.0 Million ("**Perpetual Sukuk Musharakah Programme**") by **LBS BINA GROUP BERHAD** (Registration No. 200001015875 (518482-H)) ("**Issuer**").

This Pricing Supplement is to be read in conjunction with the terms and conditions of the Perpetual Sukuk Musharakah ("**Conditions**") set out in the trust deed dated 6 March 2020 made between the Issuer and Malaysian Trustees Berhad (Registration No. 197501000080 (21666-V)) as the sukuk trustee ("**Sukuk Trustee**"), which is made a part hereof as if set forth herein and all documents incorporated by reference therein (collectively, the "**Trust Deed**"). Unless otherwise defined in this Pricing Supplement, capitalised terms used herein have the same meaning as in the Conditions.

The Issuer has authorised the Lead Manager and/or its 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 Subject Perpetual Sukuk Musharakah only to prospective investors who fall within the ambit of the Selling Restrictions for the purpose of the sale of the Subject Perpetual Sukuk Musharakah 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 Lead Manager and return this Pricing Supplement to the Lead Manager or the Issuer.

This Pricing Supplement or any document delivered under or in relation to the issue, offer and sale of the Perpetual Sukuk Musharakah is not, and should not be construed as, a recommendation by the Issuer, the Lead Manager or any other party to the recipient to subscribe for or purchase the Perpetual Sukuk Musharakah. This Pricing Supplement is not a substitute for, and should not be regarded as, an independent evaluation and analysis and does not purport to be all inclusive. Each recipient is solely responsible for seeking all appropriate expert advice as to the laws of all jurisdictions to which it is subject. Each recipient should perform and is deemed to have made its own independent investigation and analysis of the Issuer, the Perpetual Sukuk Musharakah and all other relevant matters, and each recipient should consult its own professional advisers.

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

THERE ARE RESTRICTIONS ON THE DISTRIBUTION OF THIS PRICING SUPPLEMENT AND THE OFFERING OR SALE OF THE PERPETUAL SUKUK MUSHARAKAH IN MALAYSIA. PERSONS INTO WHOSE POSSESSION THIS PRICING SUPPLEMENT COMES ARE REQUIRED BY THE ISSUER, THE LEAD ARRANGER AND THE LEAD MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE SUCH RESTRICTIONS. FOR A DESCRIPTION OF THE RESTRICTIONS ON THE OFFERING AND SALE OF PERPETUAL SUKUK MUSHARAKAH AND ON DISTRIBUTION OF THIS PRICING SUPPLEMENT IN MALAYSIA, PLEASE REFER TO THE “SELLING RESTRICTIONS” IN THE TRUST DEED.

Specific Final Terms

The following items under this heading “**Specific Final Terms**” are the particular terms which relate to the Subject Perpetual Sukuk Musharakah to which this Pricing Supplement relates.

- 1. Issuer : LBS BINA GROUP BERHAD**
- 2. Series : 2**
- 3. Tranche(s) : 1**
- 4. Nominal Amount : RM93.0 million**
- 5. Issue Date : 30 July 2021**
- 6. Tenure : Perpetual Non-Callable 5 years**
- 7. First Call Date : 30 July 2026**
- 8. Call Date : First Call Date and each Periodic Distribution Date thereafter.**
- 9. Periodic Distribution Frequency : Semi-annual**
- 10. Initial Periodic Distribution Rate : 6.85% per annum (“p.a.”)**
- 11. Initial Spread : 4.345% p.a.**
- 12. Relevant MGS Rate : 2.505% p.a.**
- 13. Reset Period of Relevant MGS Rate : On the First Call Date and every 5 years thereafter**
- 14. Relevant Reset Periodic : Prevailing 5-year Malaysian Government Securities (“MGS”) + Initial Spread + Step-Up Margin**

Distribution Rate

15. **Step-Up Margin** : 2.5% p.a. after the First Call Date and an additional 1% p.a. on each anniversary of the First Call Date, subject to the maximum periodic distribution rate not exceeding 15% p.a.
16. **Margin in relation to the Make-Whole Amount** : Relevant MGS Rate + 3.259%
17. **Utilisation of Proceeds** : The proceeds arising from the issuance of the Subject Perpetual Sukuk Musharakah shall be utilised by the LBS Bina Group for the following Shariah-compliant purposes:
- (a) full redemption of (i) the banking facilities of up to RM28,140,000.00 granted to the Issuer by Public Islamic Bank Berhad and (ii) the term loan facility of up to RM50,000,000.00 granted to the Issuer by RHB Bank Berhad (“**RHB Term Loan Facility**”); and
 - (b) working capital.
18. **Security Cover** 1.43 times.

The abovementioned Security Cover shall be calculated in accordance with the following formula:

$$\frac{MV + (EA \times \text{Cash Factor})}{NV}$$

where:

MV = Market Value of the properties provided as security for the Series 2 of the Perpetual Sukuk Musharakah (“**Secured Properties**”) and Eligible Replacement Security (as set out in item 22 below) as the case may be

EA = Cash amounts in the Escrow Account – Series 2

NV = Outstanding nominal value of the Perpetual Sukuk Musharakah issued under Series 2 of the Perpetual Sukuk Musharakah

Cash Factor = 2

“Market Value” means the market value of the Secured Properties (including any Eligible Replacement Security) supported by the latest available valuation report(s) from any one or more property valuers within the agreed panel of property valuers set out in the relevant Transaction Documents and such valuation report(s) is to be addressed to the Security Trustee. The valuation report(s) shall be dated no earlier than one (1) year prior to the proposed issue date of the Subject Perpetual Sukuk Musharakah. In the case of determining the market value of the Eligible Replacement Security pursuant to the Release and Replacement of Security (as described in item 19 below), the valuation report(s) of such Eligible Replacement Security shall be dated no more than six (6) months from the date of the Notification (as defined in item 19 below).

- 19. Release and Replacement of Security :** The Issuer may request for the release of any of the Secured Properties to be replaced with Eligible Replacement Security and/or deposit cash amount into the Escrow Account – Series 2 provided always that the Security Cover is met at all times.

Where the Issuer wishes to effect any Release and Replacement of Security, the Issuer shall provide the Security Trustee and the Sukuk Trustee with at least fifteen (15) business days’ prior notice (**“Notification”**) for the Security Trustee and the Sukuk Trustee to initiate such necessary actions in relation to such Release and Replacement of Security. The date of which the replacement of the Secured Properties with Eligible Replacement Security take effect shall be referred to as **“Security Replacement Date”**.

- 20. Revaluation of Secured Properties :** All the Secured Properties, including Eligible Replacement Security shall be revalued every three (3) years from the issue date of the first tranche under Series 2 of the Perpetual Sukuk Musharakah, being 30 July 2021, or three (3) years from the replacement date of the Secured Properties with the Eligible Replacement Security, where applicable (each a **“Revaluation Date”**). The revaluation shall be based on a valuation report dated no more than six (6) months from the Revaluation Date.

On each Revaluation Date,

- (i) if the Security Cover is more than 1.43 times, the Issuer may request for a release or withdraw any of the Secured Properties, Eligible Replacement Security and/or cash in Escrow Account – Series 2

in excess of the Security Cover of 1.43 times; and

- (ii) if the Security Cover is less than 1.43 times, the Issuer shall provide additional Eligible Replacement Security and/or cash deposit or procure the deposit of the relevant amount into the Escrow Account – Series 2, in order for the Security Cover to be at least 1.43 times within two (2) months from such relevant Revaluation Date.

In the event the Security Cover of 1.43 times is not met within two (2) months from the relevant Revaluation Date, the Periodic Distribution Rate shall be increased by an expected profit rate of three percent (3%) per annum above the prevailing Periodic Distribution Rate with effect from the expiry of two (2) months from the relevant Revaluation Date.

Upon the Issuer providing Secured Properties, Eligible Replacement Security and/or deposit cash amount into the Escrow Account – Series 2 causing the Security Cover to be at least 1.43 times, the Periodic Distribution Rate shall revert to the prevailing Periodic Distribution Rate with effect from the day immediately after the date on which the Security Cover is at least 1.43 times.

- 21. **Series Security** : (a) a first legal charge and assignment over the escrow account opened or to be opened by LBS Bina Group Berhad with RHB Islamic Berhad (Escrow Account – Series 2);
(b) a first fixed charge over two (2) parcels of land measuring approximately 34.79 acres held under title no. PN 117442 Lot 77380 and PN 117443 Lot 77381, in Mukim Tanjong Duabelas, District Kuala Langat, Selangor (Security Party: Seribu Baiduri Sdn Bhd); and
(c) a first fixed charge over a parcel of land measuring approximately 6.25 acres held under Country Lease no. 015005991, in Tanjong Lipat, Jesselton, District of West Coast, Sabah (Security Party: Intellview Sdn Bhd).
- 22. **Eligible Replacement Security** : (1) a first fixed charge or a specific debenture creating a first fixed charge over any one or more of the following properties which have not been utilised as security for the first series of Perpetual Sukuk Musharakah under the Sukuk Musharakah

Programme:

- (a) one (1) parcel of commercial land measuring approximately 5.13 acres held under title no. HSD 4791 PT 3273, in Mukim Tanah Rata, District Cameron Highlands, Pahang (Security Party: Casa Inspirasi Sdn Bhd);
- (b) one (1) parcel of residential land measuring approximately 4.30 acres held under title no. HSD 4795 PT 3277, in Mukim Tanah Rata, District Cameron Highlands, Pahang (Security Party: Casa Inspirasi Sdn Bhd);
- (c) one (1) parcel of residential land measuring approximately 52.88 acres held under title no. HSD 4797 PT 3279, in Mukim Tanah Rata, District Cameron Highlands, Pahang (Security Party: Casa Inspirasi Sdn Bhd);
- (d) one (1) parcel of commercial land measuring approximately 1.11 acres held under title no. PN 27955 Lot 15438, in Mukim Tanah Rata, District Cameron Highlands, Pahang (Security Party: Casa Inspirasi Sdn Bhd);
- (e) a parcel of development land referred to as Block 1 measuring approximately 53.13 acres held under title no. GRN 573732 Lot 11182 (formerly known as HSD 43061 PTD 18599), in Mukim Linau, District Batu Pahat, Johor (Security Party: Focal Remedy Sdn Bhd);
- (f) a parcel of development land referred to as Block 7 measuring approximately 109 acres held under title no. HSD 43067 PTD 18605, in Mukim Linau, District Batu Pahat, Johor (Security Party: Focal Remedy Sdn Bhd);
- (g) a parcel of development land referred to as Block 8 measuring approximately 59.21 acres held under title no. HSD 43068 PTD 18606, in Mukim Linau, District Batu Pahat, Johor (Security Party: Focal Remedy Sdn Bhd);
- (h) 89 nos. bungalow plots within Block 10 measuring approximately 14.46 acres held

under titles no. (1) GRN 357702 Lot 8509 (formerly known as HSD 41617 PTD 6785); (2) GRN 357699 Lot 8508 (formerly known as HSD 41618 PTD 6786); (3) GRN 357690 Lot 8505 (formerly known as HSD 41621 PTD 6789); (4) GRN 357688 Lot 8504 (formerly known as HSD 41622 PTD 6790); (5) GRN 357677 Lot 8501 (formerly known as HSD 41625 PTD 6793); (6) GRN 357676 Lot 8500 (formerly known as HSD 41626 PTD 6794); (7) GRN 357675 Lot 8499 (formerly known as HSD 41627 PTD 6795); (8) GRN 357674 Lot 8498 (formerly known as HSD 41628 PTD 6796); (9) GRN 357554 Lot 8497 (formerly known as HSD 41629 PTD 6797); (10) GRN 357552 Lot 8496 (formerly known as HSD 41630 PTD 6798); (11) GRN 357549 Lot 8495 (formerly known as HSD 41631 PTD 6799); (12) GRN 357530 Lot 8490 (formerly known as HSD 41636 PTD 6804); (13) GRN 357528 Lot 8489 (formerly known as HSD 41637 PTD 6805); (14) GRN 357522 Lot 8488 (formerly known as HSD 41638 PTD 6806); (15) GRN 357489 Lot 8485 (formerly known as HSD 41641 PTD 6809); (16) GRN 357467 Lot 8484 (formerly known as HSD 41642 PTD 6810); (17) GRN 358922 Lot 8481 (formerly known as HSD 41645 PTD 6813); (18) GRN 358920 Lot 8480 (formerly known as HSD 41646 PTD 6814); (19) GRN 358914 Lot 8477 (formerly known as HSD 41649 PTD 6817); (20) GRN 358912 Lot 8476 (formerly known as HSD 41650 PTD 6818); (21) GRN 358886 Lot 8439 (formerly known as HSD 41651 PTD 6819); (22) GRN 358905 Lot 8472 (formerly known as HSD 41655 PTD 6823); (23) GRN 358906 Lot 8473 (formerly known as HSD 41656 PTD 6824); (24) GRN 358908 Lot 8474 (formerly known as HSD 41657 PTD 6825); (25) GRN 358910 Lot 8475 (formerly known as HSD 41658 PTD 6826); (26) GRN 357659 Lot 8556 (formerly known as HSD 41667 PTD 6835); (27) GRN 357660 Lot 8557 (formerly known as HSD 41668 PTD 6836); (28) GRN 357662 Lot 8558 (formerly known as HSD 41669 PTD 6837); (29) GRN 357663 Lot 8559 (formerly known as HSD 41670 PTD 6838); (30) GRN

357665 Lot 8560 (formerly known as HSD 41671 PTD 6839); (31) GRN 357744 Lot 8621 (formerly known as HSD 41674 PTD 6842); (32) GRN 357746 Lot 8622 (formerly known as HSD 41675 PTD 6843); (33) GRN 357752 Lot 8623 (formerly known as HSD 41676 PTD 6844); (34) GRN 357763 Lot 8626 (formerly known as HSD 41679 PTD 6847); (35) GRN 357773 Lot 8627 (formerly known as HSD 41680 PTD 6848); (36) GRN 357777 Lot 8628 (formerly known as HSD 41681 PTD 6849); (37) GRN 357781 Lot 8629 (formerly known as HSD 41682 PTD 6850); (38) GRN 357784 Lot 8630 (formerly known as HSD 41683 PTD 6851); (39) GRN 357727 Lot 8615 (formerly known as HSD 41687 PTD 6855); (40) GRN 357723 Lot 8614 (formerly known as HSD 41688 PTD 6856); (41) GRN 357720 Lot 8613 (formerly known as HSD 41689 PTD 6857); (42) GRN 357718 Lot 8612 (formerly known as HSD 41690 PTD 6858); (43) GRN 357712 Lot 8609 (formerly known as HSD 41693 PTD 6861); (44) GRN 357710 Lot 8608 (formerly known as HSD 41694 PTD 6862); (45) GRN 357586 Lot 8543 (formerly known as HSD 41700 PTD 6868); (46) GRN 357563 Lot 8538 (formerly known as HSD 41705 PTD 6873); (47) GRN 357560 Lot 8537 (formerly known as HSD 41706 PTD 6874); (48) GRN 358899 Lot 8469 (formerly known as HSD 41709 PTD 6877); (49) GRN 358888 Lot 8464 (formerly known as HSD 41714 PTD 6882); (50) GRN 358881 Lot 8437 (formerly known as HSD 41715 PTD 6883); (51) GRN 358316 Lot 8436 (formerly known as HSD 41716 PTD 6884); (52) GRN 358039 Lot 8458 (formerly known as HSD 41717 PTD 6885); (53) GRN 358041 Lot 8459 (formerly known as HSD 41718 PTD 6886); (54) GRN 358045 Lot 8462 (formerly known as HSD 41721 PTD 6889); (55) GRN 357915 Lot 8598 (formerly known as HSD 41726 PTD 6894); (56) GRN 357916 Lot 8599 (formerly known as HSD 41727 PTD 6895); (57) GRN 357917 Lot 8600 (formerly known as HSD 41728 PTD 6896); (58) GRN 357923 Lot 8606 (formerly known as HSD 41734 PTD 6902); (59) GRN 357909 Lot 8592 (formerly

known as HSD 41737 PTD 6905); (60) GRN 357908 Lot 8591 (formerly known as HSD 41738 PTD 6906); (61) GRN 357904 Lot 8587 (formerly known as HSD 41742 PTD 6910); (62) GRN 357903 Lot 8586 (formerly known as HSD 41743 PTD 6911); (63) GRN 357902 Lot 8585 (formerly known as HSD 41744 PTD 6912); (64) GRN 358032 Lot 8454 (formerly known as HSD 41750 PTD 6919); (65) GRN 358031 Lot 8453 (formerly known as HSD 41751 PTD 6920); (66) GRN 358030 Lot 8452 (formerly known as HSD 41752 PTD 6921); (67) GRN 358000 Lot 8435 (formerly known as HSD 41753 PTD 6922); (68) GRN 358024 Lot 8448 (formerly known as HSD 41757 PTD 6926); (69) GRN 358025 Lot 8449 (formerly known as HSD 41758 PTD 6927); (70) GRN 358119 Lot 8572 (formerly known as HSD 41773 PTD 6942); (71) GRN 358120 Lot 8573 (formerly known as HSD 41774 PTD 6943); (72) GRN 358121 Lot 8574 (formerly known as HSD 41775 PTD 6944); (73) GRN 358124 Lot 8577 (formerly known as HSD 41778 PTD 6947); (74) GRN 358125 Lot 8578 (formerly known as HSD 41779 PTD 6948); (75) GRN 358126 Lot 8579 (formerly known as HSD 41780 PTD 6949); (76) GRN 358118 Lot 8571 (formerly known as HSD 41784 PTD 6953); (77) GRN 358117 Lot 8570 (formerly known as HSD 41785 PTD 6954); (78) GRN 358116 Lot 8569 (formerly known as HSD 41786 PTD 6955); (79) GRN 358115 Lot 8568 (formerly known as HSD 41787 PTD 6956); (80) GRN 358112 Lot 8565 (formerly known as HSD 41790 PTD 6959); (81) GRN 358111 Lot 8564 (formerly known as HSD 41791 PTD 6960); (82) GRN 358385 Lot 8521 (formerly known as HSD 41795 PTD 6964); (83) GRN 358383 Lot 8520 (formerly known as HSD 41796 PTD 6965); (84) GRN 358382 Lot 8519 (formerly known as HSD 41797 PTD 6966); (85) GRN 358372 Lot 8513 (formerly known as HSD 41803 PTD 6972); (86) GRN 358003 Lot 8442 (formerly known as HSD 41810 PTD 6979); (87) GRN 358002 Lot 8441 (formerly known as HSD 41811 PTD 6980); (88) GRN 358001 Lot 8440 (formerly known as HSD 41812 PTD

6981); (89) GRN 357998 Lot 8433 (formerly known as HSD 41813 PTD 6982), in Mukim Linau, District Batu Pahat, Johor (Security Party: Focal Remedy Sdn Bhd);

- (i) a parcel of development land referred to as Block 16 measuring approximately 59.85 acres held under title no. HSD 43076 PTD 18614, in Mukim Linau, District Batu Pahat, Johor (Security Party: Focal Remedy Sdn Bhd);
- (2) a first fixed charge or a specific debenture creating a first fixed charge over 15 shop office units measuring approximately 2,076 square metres held under titles no. (1) HSD 54699, PT 135087; (2) HSD 54700, PT 135088; (3) HSD 54709, PT 135097; (4) HSD 54717, PT 135105; (5) HSD 54720, PT 135108; (6) HSD 54721, PT 135109; (7) HSD 54697, PT 135085; (8) HSD 54692, PT 135080; (9) HSD 54682, PT 135070; (10) HSD 54681, PT 135069; (11) HSD 54680, PT 135068; (12) HSD 54638, PT 135026; (13) HSD 54650, PT 135038; (14) HSD 54651, PT 135039; and (15) HSD 54654, PT 135042 in Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang (Security Party: Inderaloka Impian Sdn Bhd); and
- (3) such other identified properties subject to the approval by the Sukukholders under Series 2 of the Perpetual Sukuk Musharakah by way of an extraordinary resolution.

23. Designated Account

: Escrow Account – Series 2

Name of account	Escrow Account – Series 2
Parties responsible for opening the account	Issuer
Parties responsible for maintaining/operating the account	Security Trustee

Signatories to the account	Security Trustee
Sources of funds	<p>The Issuer shall deposit and maintain or cause to be deposited into the Escrow Account – Series 2:</p> <p>(a) funds to meet the minimum Security Cover of 1.43 times, including:</p> <p>(i) in the case of a revaluation of the Secured Properties relevant to the Subject Perpetual Sukuk Musharakah on a Revaluation Date, such amount required in order for the Security Cover to be at least 1.43 times; and/or</p> <p>(ii) in the case of a Release and Replacement of Security relevant to the Subject Perpetual Sukuk Musharakah, an amount required in order for the Security Cover to be at least 1.43 times.</p>
Utilisation of funds	<p>In respect of the Second Series, the monies standing to the credit of the Escrow Account – Series 2 may only be:</p> <p>(a) utilised by the Issuer for Permitted Investments;</p> <p>(b) utilised by the Issuer to redeem the Perpetual Sukuk Musharakah pursuant to (i) an Optional Redemption; (ii) an Accounting Event Redemption; (iii) a Tax Event Redemption; (iv) a Change in Control Event Redemption; (v) a Leverage Event Redemption; (vi) a Privatisation Event</p>

	<p>Redemption; and/or (vii) a Shareholder Event Redemption; and</p> <p>(c) withdrawn by the Issuer to be used for any purpose pursuant to Revaluation of the Secured Properties or a Release and Replacement of Security, provided that additional security which are Eligible Replacement Security which would cause the Security Cover to be at least 1.43 times has been provided or procured by the Issuer;</p> <p>For the avoidance of doubt, where the Issuer exercises its right of redemption and utilises the amounts in the Escrow Account – Series 2 under paragraph (b) above in respect of all outstanding Subject Perpetual Sukuk Musharakah (and not part thereof only), all monies in the Escrow Account – Series 2 can be applied towards payment of the relevant redemption sum.</p>
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24. Other terms or special conditions : Conditions Precedent for Series 2 of the Perpetual Sukuk Musharakah

The following conditions precedent are required to be complied with to the satisfaction of, or waived by, the Lead Manager:

- (i) All relevant Security Documents in respect of the security identified by the Issuer to be utilised as the Series Security for Series 2 of the Perpetual Sukuk Musharakah (other than those which are required to be executed or perfected as a condition subsequent) have been executed, stamped or duly endorsed as exempted under Stamp Duty Exemption (No. 23) Order 2000, and where relevant, presented for registration with the relevant authorities (if applicable).
- (ii) The powers of attorney clauses contained in the relevant Security Documents have been registered

with the High Court of Malaya.

- (iii) All relevant notices of assignment, acknowledgement of the notices of assignment and consents (where applicable) under the relevant Security Documents shall have been made or received, as the case may be.
- (iv) Evidence that the Statement of Particulars to be Lodged with Charge (as prescribed under the Companies Act, 2016), where applicable, in respect of the charges created pursuant to the relevant Security Documents (for the purpose of registration of such charges with the Companies Commission of Malaysia (“CCM”) in accordance with the Companies Act, 2016) have been duly lodged with the CCM.
- (v) Documentary evidence that a private caveat has been lodged in favour of the Security Trustee in respect of the properties identified as security for Series 2 of the Perpetual Sukuk Musharakah.
- (vi) Evidence that the Designated Account has been opened in accordance with the Transaction Documents in respect of Series 2 of the Perpetual Sukuk Musharakah.
- (vii) The Security Trustee has received from Messrs. Adnan Sundra & Low a satisfactory legal opinion addressed to them and the Sukuk Trustee advising with respect to, among others, the legality, validity and enforceability of the Transaction Documents and a confirmation addressed to the Lead Arranger that all the conditions precedent have been fulfilled or otherwise waived (as the case may be).
- (viii) Receipt of a satisfactory valuation report from the Valuer addressed to the Security Trustee, in respect of the properties which have been identified to be utilised as security for Series 2 of the Perpetual Sukuk Musharakah dated no earlier than one (1) year prior to the proposed issue date of the first tranche under Series 2 of the Perpetual Sukuk Musharakah.
- (ix) Receipt of a redemption statement cum undertaking (in form and substance acceptable to the Lead Arranger) from the existing financiers of the financing facilities secured by the properties

identified as security for Series 2 of the Perpetual Sukuk Musharakah to be refinanced using proceeds from the Perpetual Sukuk Musharakah, to discharge their existing security and execute and deliver all documents relating to such discharge upon receipt of the full redemption sum.

- (x) In the event any approval (including but not limited to consent from the relevant State Authority (as defined in the National Land Code)) is required to create a charge over any property which is identified as Series Security for Series 2 of the Perpetual Sukuk Musharakah, a certified true copy of the consent from the relevant authority to create a charge over such property.

Condition Subsequent for Series 2 of the Perpetual Sukuk Musharakah

The Issuer shall ensure that the following conditions subsequent are complied with to the satisfaction of the Security Trustee:

No later than ninety (90) days from the date of the first issuance under Series 2 of the Perpetual Sukuk Musharakah (or such longer period as may be agreed by the Security Trustee in writing) under the Perpetual Sukuk Musharakah Programme, the relevant Security Documents in respect of the properties identified as security for Series 2 of the Perpetual Sukuk Musharakah shall have been executed, stamped or endorsed as exempted from stamp duty and (where applicable) presented for registration at the relevant land office, and the Security Trustee shall have received:

- (i) the receipt of presentation for registration of the land charge(s) in respect of the relevant property in favour of the Security Trustee;
- (ii) evidence that the Statement of Particulars to be Lodged with Charge (as prescribed under the Companies Act) in respect of the Security Documents in respect of the relevant property have been lodged with the CCM; and
- (iii) a legal opinion satisfactory to the Security Trustee advising with respect to, among others, the legality, validity, binding effect and enforceability of the Security Documents in respect of the relevant

property.

Conflict-of Interest

Save as disclosed below, as at the date hereof and after making enquiries as were reasonable in the circumstances, RHB Investment Bank (“**RHB Investment**”) is not aware of any circumstances that would give rise to a conflict-of-interest or a potential conflict-of-interest situation in its capacity as the Principal Adviser, Lead Arranger, Lead Manager and Facility Agent in relation to the Perpetual Sukuk Musharakah Programme.

RHB Bank Berhad, the holding company of RHB Investment, is the provider of the RHB Term Loan Facility, and the proceeds from the Subject Perpetual Sukuk Musharakah will be utilised by the Issuer to, inter alia, redeem the outstanding amounts under the RHB Term Loan Facility.

The following mitigating measures will be adopted by RHB Investment in order to mitigate or address any potential conflict-of-interest situation arising from the above:-

- (i) the potential conflict-of-interest situations have been brought to the attention of the board of directors of the Issuer and hence they are fully aware of the same. Despite such potential conflict-of-interest situations, the board of directors of the Issuer has agreed to proceed with the Perpetual Sukuk Musharakah Programme and the issuance of the Subject Perpetual Sukuk Musharakah thereunder based on the present arrangement and terms;
- (ii) RHB Investment is a licensed investment bank and its appointment as the Principal Adviser, Lead Arranger, Lead Manager and Facility Agent for the Perpetual Sukuk Musharakah Programme is in its ordinary course of business;
- (iii) RHB Investment will fully disclose to the potential investor(s) the roles undertaken by RHB Investment and its potential conflict-of-interest;
- (iv) the role of RHB Investment will be governed by the relevant agreements and documentation, which shall clearly set out the rights, duties and responsibilities of RHB Investment in its capacity as the Principal

Adviser, Lead Arranger, Lead Manager and Facility Agent in relation to the Perpetual Sukuk Musharakah Programme, and shall be carried out on an arm's-length basis and independently by RHB Investment; and

- (v) the conduct of RHB Investment is regulated by BNM and the SC and governed under, inter alia, the Financial Services Act 2013, the CMSA and by its own internal controls and checks.

RESPONSIBILITY

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