

PRICING SUPPLEMENT



**SMALL MEDIUM ENTERPRISE DEVELOPMENT BANK
MALAYSIA BERHAD**
(Registration No. (197901005290 (49572-H))

**SUSTAINABILITY ISLAMIC MEDIUM TERM NOTES ("IMTNs") UNDER AN
ISLAMIC MEDIUM TERM NOTES PROGRAMME OF UP TO A COMBINED
AGGREGATE LIMIT IN NOMINAL VALUE OF RM3,000.0 MILLION BASED
ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR**

Series No: 001

Issue of RM500.0 million in Nominal Value of IMTNs

Joint Lead Managers



**AMINVESTMENT BANK
BERHAD**
(REGISTRATION NO.
197501002220 (23742-V))



**CIMB INVESTMENT BANK
BERHAD**
(REGISTRATION NO.
197401001266 (18417-M))



**MAYBANK INVESTMENT
BANK BERHAD**
(REGISTRATION NO.
197301002412 (15938-H))



**RHB INVESTMENT BANK
BERHAD**
(REGISTRATION NO.
197401002639 (19663-P))

The Pricing Supplement is dated 28 July 2021

This document (“**Pricing Supplement**”) is issued to give details of an issue of sustainability Islamic medium term notes (“**IMTNs**”) by Small Medium Enterprise Development Bank Malaysia Berhad (Registration No. 197901005290 (49572-H)) (“**Issuer**”) under an Islamic medium term notes programme (“**IMTN Programme**”) of up to Ringgit Three Billion (RM3,000,000,000.00) in aggregate nominal value, which together with an Islamic commercial papers programme (“**ICP Programme**”) of up to Ringgit One Billion (RM1,000,000,000.00) in aggregate nominal value, shall have a combined aggregate limit in nominal value of up to Ringgit Three Billion (RM3,000,000,000.00) based on the Shariah principle of Wakalah Bi Al-Istithmar.

This Pricing Supplement is to be read in conjunction with the terms and conditions of the IMTNs (“**Conditions**”) set out in the IMTN Trust Deed dated 16 July 2021 made between the Issuer and MTrustee Berhad (Registration No. 198701004362 (163032-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 “**IMTN Trust Deed**”). Unless otherwise defined in this Pricing Supplement, capitalised terms used herein have the same meaning as in the Conditions. In case of any conflict between the terms of the Pricing Supplement and the IMTN Trust Deed, the terms set forth in this Pricing Supplement shall govern.

The establishment of the IMTN Programme and the issuance of the IMTNs under the IMTN Programme has each been duly authorised by a resolution of the Board of Directors dated 27 April 2021.

The Issuer hereby acknowledges that it has authorised AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V)), CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M)), Maybank Investment Bank Berhad (Registration No. 197301002412 (15938-H)) and RHB Investment Bank Berhad (Registration No. 197401002639 (19663-P)) as the Joint Lead Managers for the IMTN Programme to circulate or distribute this Pricing Supplement on their behalf in respect of or in connection with the proposed offer or invitation to subscribe for and issue of the IMTNs **only to prospective investors who fall within the ambit of the Selling Restrictions** for the purpose of the sale of this issuance of IMTNs described herein pursuant to the IMTN Programme and that no further evidence of authorisation is required.

Each of the following Selling Restrictions must be observed by each IMTN Holder in relation to offers, invitations, sales, transfers, acquisitions or disposals of the IMTNs as the case may be, and in relation thereto:

- (a) at the point of issuance of the IMTNs: The IMTNs may only be offered, sold, transferred or otherwise disposed of, directly or indirectly, to persons to whom an offer or invitation to subscribe the IMTNs may be made and to whom the IMTNs are issued would fall within Part I of Schedule 6 of the Capital Markets and Services Act, 2007 (as amended from time to time) (“**CMSA**”), Part I of Schedule 7 of the CMSA and Schedule 8 (or Section 257(3)), read together with Schedule 9 (or Section 257(3)) of the CMSA, subject to any change in the applicable laws;
- (b) after the issuance of the IMTNs: The IMTNs may only be offered, sold, transferred or otherwise disposed of, directly or indirectly, to persons to whom an offer or invitation to purchase the IMTNs would fall within Part I of Schedule 6 of the CMSA and Schedule 8 (or Section 257(3)), read together with Schedule 9 (or Section 257(3)) of the CMSA, subject to any change in the applicable laws;

- (c) the IMTNs are transferable (subject to the Selling Restrictions described above) and tradable under RENTAS;
- (d) each IMTN Holder shall not sell, transfer or otherwise dispose of all or any part of its legal or beneficial interests in the IMTNs to another person or persons nor offer to do so, unless such sale, transfer, disposal or offer, is subject to the condition that such person(s) shall undertake to observe the restrictions set out herein; and
- (e) without limitation to paragraphs (a), (b), (c) and (d) above, each IMTN Holder shall observe all applicable laws and regulations in any jurisdiction (including Malaysia) in which it may offer, sell, transfer or otherwise dispose of all or any part of its legal or beneficial interests in the IMTNs or distribute any document or other material in connection therewith.

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 in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the IMTNs or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

This Pricing Supplement or any document delivered under or in relation to the issue, offer and sale of the IMTNs is not, and should not be construed as, a recommendation by the Issuer, the Joint Lead Managers or any other party to the recipient to subscribe for or purchase the IMTNs. 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 IMTNs 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 Joint Lead Managers promptly upon the Joint Lead Managers' request.

THERE ARE RESTRICTIONS ON THE DISTRIBUTION OF THIS PRICING SUPPLEMENT AND THE OFFERING OR SALE OF THE IMTNs IN MALAYSIA. PERSONS INTO WHOSE POSSESSION THIS PRICING SUPPLEMENT COMES INTO ARE REQUIRED BY THE ISSUER AND THE JOINT LEAD MANAGERS TO INFORM THEMSELVES ABOUT AND TO OBSERVE SUCH RESTRICTIONS.

Specific Final Terms

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

1. Issuer:	Small Medium Enterprise Development Bank Malaysia Berhad (Registration No. 197901005290 (49572-H))
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2. Nominal Value:	RM500,000,000.00
3. Issue Date:	2 August 2021
4. Series No.:	001
5. Tranche No.:	001
6. Tenure:	5 years
7. Scheduled Dissolution Date:	31 July 2026
8. Issue Price:	RM500,000,000.00
9. Periodic Distribution Rate:	Fixed Rate: 3.10% per annum
10. Ceiling Rate:	Not applicable
11. Frequency and Basis of Periodic Distributions:	Frequency: Semi-annual Basis of Periodic Distributions: Actual / 365 days
12. Yield to Maturity:	3.10% per annum
13. Credit Rating:	AAA _{JS} by MALAYSIAN RATING CORPORATION BERHAD (Registration No. 199501035601 (364803-V))
14. Eligible Projects:	The list of the Eligible Projects are as per the Issuer's Sustainability Sukuk Framework, as amended from time to time ("Issuer's Sustainability Sukuk Framework"), which will include, amongst others:- i. Green Projects - Renewable energy - Clean transportation - Green building - Energy efficiency - Sustainable water & wastewater management - Waste & pollution control ii. Social Projects - Affordable basic infrastructure - Access to essential services: Healthcare - Access to essential services: Education and vocational training - Socioeconomic advancement and empowerment - Pandemic outbreak socioeconomic impact mitigation

	The above Eligible Projects shall be aligned with the Sustainable Responsible Investment (“SRI”) Sukuk Framework pursuant to the Securities Commission Malaysia (“SC”)’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued on 9 March 2015 and revised on 26 April 2021, as amended from time to time (“LOLA Guidelines”), the ASEAN Green Bond Standards issued by the ASEAN Capital Markets Forum (“ACMF”), the ASEAN Social Bond Standards issued by ACMF, the ASEAN Sustainability Bond Standards issued by ACMF, the Green Bond Principles issued by the International Capital Market Association (“ICMA”), the Social Bond Principles issued by ICMA and the Sustainability Bond Guidelines issued by ICMA, as amended from time to time, (collectively, the “Sustainability Guidelines/Framework”). The Issuer may also include additional categories of green and/or social eligible projects from time to time and the additional eligible projects shall be aligned with the Sustainability Guidelines/Framework and the Issuer’s Sustainability Sukuk Framework.
15. Utilisation Purpose of the IMTN Proceeds:	The IMTN Proceeds raised from the issuance of the IMTNs under the IMTN Programme shall be utilised by the Issuer to finance and/or refinance, in part or in whole, new and existing eligible Shariah-compliant financings, including for the construction and/or development of the Eligible Projects, provided to the Issuer’s customers that meet the criteria as set out in the Sustainability Guidelines/Framework and the Issuer’s Sustainability Sukuk Framework. For the avoidance of doubt, the utilisation of the IMTN Proceeds shall at all times be for Shariah-compliant purposes.
16. Other terms or special conditions:	Not applicable

PURPOSE OF FINAL TERMS

This Pricing Supplement comprise the final terms required for the Series No. 001 and Tranche No. 001 of IMTNs described herein pursuant to the IMTN Programme.

RESPONSIBILITY

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

The Issuer confirms that where information has been sourced or extracted from third parties, the Issuer confirms that to the best of its knowledge and belief, and as far as it is able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of

Small Medium Enterprise Development Bank Malaysia Berhad

(Registration No. 197901005290 (49572-H))



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Group President/Chief Executive Officer
Aria Putera Ismail



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Group Chief Corporate Strategy Officer
Mohammad Hardee Ibrahim