

Pricing Supplement

BATU KAWAN BERHAD

(Company Registration No. 196501000504 (6292-U))

**ISLAMIC MEDIUM TERM NOTES PROGRAMME OF RM1.0 BILLION IN
NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-
ISTITHMAR**

Series No. 1

Issue of RM 500,000,000 Nominal Amount of Sukuk Wakalah

Joint Principal Advisers, Joint Lead Arrangers and Joint Lead Managers



CIMB Investment Bank Berhad
(Company Registration No. 197401001266
(18417-M))



Maybank Investment Bank Berhad
(Company Registration No. 197301002412
(15938-H))

The date of this Pricing Supplement is 31 January 2022

This document ("**Pricing Supplement**") is issued to give details of an issue of Islamic medium term notes ("**Sukuk Wakalah**") pursuant to an Islamic medium term notes programme of RM1.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar ("**Sukuk Wakalah Programme**") by **BATU KAWAN BERHAD** (Company Registration No. 196501000504 (6292-U)) (the "**Issuer**").

This Pricing Supplement is to be read in conjunction with the terms and conditions of the Sukuk Wakalah ("**Conditions**") set out in the trust deed dated 19 November 2021 made between the Issuer and Malaysian Trustees Berhad (Company Registration No. 197501000080 (21666-V)), which is made a part hereof as if set forth herein and all documents incorporated by reference therein (the "**Trust Deed**").

Full information on the Issuer and the offer of the Sukuk Wakalah is only available on the basis of a combination of this Pricing Supplement and the information memorandum for the Sukuk Programme dated 29 December 2021 ("**Information Memorandum**") (as may be supplemented from time to time). The Information Memorandum and the supplement(s) to the Information Memorandum (if any) are available for viewing upon request from the Issuer.

Unless otherwise defined in this Pricing Supplement, capitalised terms used herein have the same meaning as in the Conditions and/or the Information Memorandum. In case of any conflict between the terms of the Pricing Supplement and the Conditions and/or the Information Memorandum, the terms set forth in this Pricing Supplement shall govern.

The establishment of the Sukuk Wakalah Programme and the issuance of the Sukuk Wakalah under the Sukuk Wakalah Programme have been duly authorised by the Issuer by way of the resolution of the Board of Directors passed on 19 May 2021.

The Issuer hereby acknowledges that it has authorised the Joint Principal Advisers/Joint Lead Arrangers/Joint Lead Managers and/or their respective 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 Sukuk Wakalah to prospective investors who fall within the ambit of the Selling Restrictions (as defined below) for the purpose of the sale of the Sukuk Wakalah described herein pursuant to the Sukuk Programme and that no further evidence of authorisation is required.

The Sukuk Wakalah are tradable and transferable subject to the following Selling Restrictions:

The Sukuk Wakalah are transferable and tradable but shall not be issued, offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons to whom the offer or invitation to purchase the Sukuk Wakalah would fall within:

- (a) at the point of issuance of the Sukuk Wakalah:
 - (i) paragraph 1(a), (b) or (d) of Part I of Schedule 5 of the CMSA; and
 - (ii) Schedule 6 and Schedule 7 of the CMSA,

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 Sukuk Wakalah:
- (i) paragraph 1(a), (b) or (d) of Part I of Schedule 5 of the CMSA; and
 - (ii) Schedule 6 and Section 229(1)(b) of the CMSA,
- read together with Schedule 9 or Section 257(3) of the CMSA, subject to any change in the applicable laws.

In addition, if any offer or sale of the Sukuk Wakalah or any distribution of any document or other material in connection therewith is to be conducted in any jurisdiction other than Malaysia, the applicable laws and regulations of such jurisdiction will also have to be complied with prior to any such offer, sale or distribution.

This Pricing Supplement 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 Sukuk Wakalah or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

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 Joint Principal Advisers/Joint Lead Arrangers/Joint Lead Managers and return this Pricing Supplement to the Joint Principal Advisers/Joint Lead Arrangers/Joint Lead Managers 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 Joint Principal Advisers/Joint Lead Arrangers/Joint Lead Managers promptly upon the Joint Principal Advisers'/Joint Lead Arrangers'/Joint Lead Managers' request.

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

Date: 31 January 2022

BATU KAWAN BERHAD (Company Registration No. 196501000504 (6292-U))

ISLAMIC MEDIUM TERM NOTES (“SUKUK WAKALAH”) PROGRAMME OF RM1.0 BILLION IN NOMINAL VALUE BASED ON THE SHARIAH PRINCIPLE OF WAKALAH BI AL-ISTITHMAR

Information Memorandum dated 29 December 2021 (“IM”)

Pricing Supplement No: 1

Terms defined in the IM shall have the same meaning when used in this pricing supplement, unless otherwise indicated or the context otherwise requires. This pricing supplement shall be read together with the IM, as amended or supplemented from time to time if any.

1. Issuer : Batu Kawan Berhad (Company Registration No. 196501000504 (6292-U)).

2. Issue Date : 9 February 2022

3. Maturity Date :

Tranche 1	9 February 2029
Tranche 2	9 February 2032

4. Tenure :

Tranche 1	7 years
Tranche 2	10 years

5. Nominal Value :

Tranche 1	RM300,000,000
Tranche 2	RM200,000,000

6. Periodic Distribution Rate :

Tranche 1	4.12% per annum
Tranche 2	4.30% per annum

7. Issue Price :

Tranche 1	100%
Tranche 2	100%

8. Expected Yield to maturity :
- | | |
|-----------|-----------------|
| Tranche 1 | 4.12% per annum |
| Tranche 2 | 4.30% per annum |
9. Details on Utilisation of Proceeds : To finance the BKB Group's Shariah-compliant investments (including its future acquisition and other investments), general corporate purposes (including operational and capital expenditure requirements), working capital requirements and to refinance BKB Group's existing financings/borrowings and/or future Shariah-compliant financings. Capital expenditures may include but are not limited to the acquisition of new plant, machinery and equipment, and improvements to real properties which are Shariah-compliant.
10. Rating : AA₁ by RAM Rating Services Berhad
11. Other Conditions : Please refer to the IM and the Conditions for the other terms and conditions applicable to the Programme.

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PURPOSE OF PRICING SUPPLEMENT

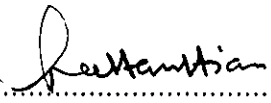
This Pricing Supplement comprise the final terms required for the issue of the Sukuk Wakalah described herein pursuant to the Sukuk Wakalah Programme.

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 their knowledge and belief, and as far as they are able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

For and on behalf of the Issuer



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Dato' Lee Hau Hian
Managing Director

Authorised Signatory of

BATU KAWAN BERHAD
(Company Registration No. 196501000504 (6292-U))