

STRICTLY PRIVATE AND CONFIDENTIAL

PRICING SUPPLEMENT DATED 26 MAY 2023

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

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

Issuance No.: 2 - Tranche (U) 2023 – C

Issue of

RM350,000,000.00 Nominal Amount of MTNs

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 and the second supplemental trust deed dated 20 April 2023, collectively, the “**Trust Deed**”) and the deed of covenants (Issue 2) dated 23 May 2023 made between the Issuer, the Bond Trustee, the REIT Manager, the REIT Trustee, Alliance Bank Malaysia 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 2)**”). 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 the resolutions of the Board of Directors of the Issuer dated 22 May 2015, 30 July 2015 and 20 April 2023.

The Issuer has authorised OCBC Bank (Malaysia) Berhad as the sole lead manager for this tranche (“**Tranche 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 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 undertake 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.

1. **Issuer** : **PAVILION REIT BOND CAPITAL BERHAD**
2. **Type of Issue** : Unrated
3. **Issue No.** : 2
4. **Tranche No.** : Tranche (U) 2023 - C
5. **Classes (if applicable)** : Not applicable
6. **Series (if applicable)** : Not applicable
7. **Nominal Amount** : RM350,000,000.00
8. **Issue Date** : 1 June 2023
9. **Expected Maturity Date** : 1 June 2027
10. **Legal Maturity Date** : 1 June 2029
11. **Expected Tenure** : Four (4) years
12. **Legal Tenure** : Six (6) years
13. **Coupon Rate** : Floating

**The final coupon rate shall be determined by the Subscriber and the Facility Agent (pursuant to the instruction from the Subscriber) three (3) Business Days prior to the Issue Date and thereafter, two (2) Business Days prior to commencement of each relevant coupon period.*
14. **Stepped-up Coupon Rate** : 1.00% per annum above the Coupon Rate
15. **Coupon Payment Frequency and basis** : Monthly
Actual / 365 days

16. **Redemption Basis** : Redemption at par
17. **Rating (only applicable for rated issuance)** : Not rated
18. **Utilisation of Proceeds** : For the purpose of advancing to Pavilion REIT for acquisition of the Secured Property, in accordance with the REIT Trust Deed and REIT Guidelines.
19. **Secured Property** : **Pavilion Bukit Jalil**
Pavilion Bukit Jalil, No. 2, Persiaran Jalil 8
Bandar Bukit Jalil, 57000 Kuala Lumpur
Malaysia
20. **Other terms and conditions** : Security Margin of at least two (2.0) times computed based on the aggregate nominal value of the MTNs outstanding under Issue 2 and the principal amount of any other indebtedness outstanding which is secured against the Secured Property. Further details are set out in the Deed of Covenants (Issue 2).

CONFLICT OF INTEREST

Save as disclosed below and after making enquiries as were reasonable in the circumstances, OCBC Bank (Malaysia) Berhad is not aware of any circumstances that would give rise to a conflict of interest or potential conflict of interest situation, arising from its role as the Tranche Lead Manager for Tranche (U) 2023 – C of Issue 2 in relation to the MTN Programme:

- (a) OCBC Bank (Malaysia) Berhad is one of the financiers of the existing financings in relation to the Secured Property undertaken by Regal Path Sdn Bhd (“**Facilities**”), a related corporation of Pavilion REIT, and the proceeds from the issuance of MTNs under Tranche (U) 2023 – C of Issue 2 pursuant to the MTN Programme will be utilised by the Issuer / the REIT Trustee to repay the Facilities.

In view of the above, there may be a potential conflict of interest situation arising from OCBC Bank (Malaysia) Berhad acting in its capacity as the Tranche Lead Manager for Tranche (U) 2023 – C of 2023 of Issue 2 in relation to the MTN Programme.

OCBC Bank (Malaysia) Berhad has considered the factors involved and it believes that objectivity and independence, in carrying out its role as the Tranche Lead Manager for Tranche (U) 2023 – C of Issue 2 in relation to the MTN Programme, have been and will be maintained at all times for the following reasons:


- (i) OCBC Bank (Malaysia) Berhad is a licensed bank and its appointment as the Tranche Lead Manager for Tranche (U) 2023 - C of Issue 2 in relation to the MTN Programme is in its ordinary course of business;
- (ii) the roles of OCBC Bank (Malaysia) Berhad are governed by the relevant agreements and documentation which clearly set out the rights, duties and responsibilities of OCBC Bank (Malaysia) Berhad in its capacity as the Tranche Lead Manager for Tranche (U) 2023 - C of Issue 2 in relation to the MTN Programme and shall be carried out on an arms-length basis; and
- (iii) the conduct of OCBC Bank (Malaysia) Berhad is regulated strictly by Bank Negara Malaysia and the Securities Commission Malaysia and governed under, inter alia, the Financial Services Act 2013, the Capital Markets and Services Act 2007 and by its own internal controls and checks.


As such, notwithstanding such potential conflict of interest situations, the Board of Directors of the Issuer is agreeable to proceed with the issuance of the MTNs under Tranche (U) 2023 – C of Issue 2 pursuant to the MTN Programme based on the present terms and conditions, after considering all the abovementioned mitigating measures.

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 signatories



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