

PRICING SUPPLEMENT

MUMTAZ RAKYAT SUKUK BERHAD

(Registration No. 201501018619 (1143951-X))

Issuance of Tier 2 Subordinated Sukuk Murabahah (“Subordinated Sukuk Murabahah”) under the Shariah principle of Murabahah (Via A Tawarruq Arrangement) of up to RM5.0 Billion in Nominal Value under a Subordinated Sukuk Programme

**Tranche 2: RM300,000,000.00 million in nominal value
 (“Subordinated Sukuk Murabahah”)**

Joint Lead Managers



AmInvestment Bank

**AmInvestment Bank Berhad
(Registration No. 197501002220 (23742-V))**



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

The date of this Pricing Supplement is 21 June 2021

This document is issued to give details of an issue of sukuk (the “**Subordinated Sukuk Murabahah**”) by Mumtaz Rakyat Sukuk Berhad (the “**Issuer**”) pursuant to a Subordinated Sukuk Programme of up to RM5.0 billion in nominal value (the “**Subordinated Sukuk Programme**”).

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 1 June 2016 made between the Issuer, Bank Kerjasama Rakyat Malaysia Berhad (Co-operative Society Registration No. 2192) as the obligor (“**Obligor**”) and MTrustee Berhad (Registration No. 198701004362 (163032-V)) (formerly known as AmTrustee Berhad) as the 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. In case of any conflict between the terms of the Pricing Supplement and the Trust Deed, the terms set forth in this Pricing Supplement shall govern.

The establishment of the Subordinated Sukuk Programme has been duly authorised by the Issuer by way of the resolution of its board of directors dated 10 August 2015 and 6 April 2016.

The Issuer hereby acknowledges that it has authorised Maybank Investment Bank Berhad (Registration No. 197301002412 (15938-H)) and AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V)) as the Joint Lead Managers for the Subordinated Sukuk 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 Subordinated Sukuk Murabahah only to prospective investors who fall within the ambit of the Selling Restriction (defined below) for the purpose of the sale of this tranche of Subordinated Sukuk Murabahah described herein pursuant to the Subordinated Sukuk Programme and that no further evidence of authorisation is required.

The Selling Restriction for the Subordinated Sukuk Murabahah is as follows:

(a) Selling Restrictions at issuance

The Subordinated Sukuk Murabahah may 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 falling within Part I of Schedule 6 (or Section 229(1)(b)) and Part I of Schedule 7 (or Section 230(1)(b)) read together with Schedule 9 (or Section 257(3)) of the Capital Markets and Services Act (“**CMSA**”).

(b) Selling Restrictions after issuance

The Subordinated Sukuk Murabahah may 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 falling within Part I of Schedule 6 (or Section 229(1)(b)) read together with Schedule 9 (or Section 257(3)) of the CMSA.

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

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.

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 or the Obligor may, at its discretion, apply for any remedy available to the Issuer or the Obligor whether at law or in equity, including without limitation, injunctions. The Issuer or the Obligor (as the case may be) 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.

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 Lead Managers and return this Pricing Supplement to the Joint Lead Managers.

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

THERE ARE RESTRICTIONS ON THE DISTRIBUTION OF THIS PRICING SUPPLEMENT AND THE OFFERING OR SALE OF THE SUBORDINATED SUKUK MURABAHAH IN MALAYSIA. PERSONS INTO WHOSE POSSESSION THIS PRICING SUPPLEMENT COMES ARE REQUIRED BY THE ISSUER, THE LEAD ARRANGER AND THE JOINT LEAD MANAGERS TO INFORM THEMSELVES ABOUT AND TO OBSERVE SUCH RESTRICTIONS. FOR A DESCRIPTION OF THE RESTRICTIONS ON THE OFFERING AND SALE OF THE SUBORDINATED SUKUK MURABAHAH AND ON DISTRIBUTION OF THIS PRICING SUPPLEMENT IN MALAYSIA, PLEASE REFER TO THE SECOND SCHEDULE OF THE TRUST DEED.

SPECIFIC FINAL TERMS

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|------------|---------------------------------------|
| 1. Issuer: | Mumtaz Rakyat Sukuk Berhad |
| 2. Obligor | Bank Kerjasama Rakyat Malaysia Berhad |

(“**BKR**”)

3. Tranche Number and Nominal Value:

Tranche 2	RM300,000,000.00
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4. Issue Date: 25 June 2021
5. Tenure of Subordinated Sukuk Murabahah to be issued: Ten (10) years, on a 10 non-callable 5 basis
6. Maturity Date: 25 June 2031
7. Callable (with first call date) Callable on the fifth (5th) anniversary date from the Issue Date and on every coupon payment date thereafter with the first call date on 25 June 2026
8. Yield: 3.78% p.a.
9. Profit Rate: 3.78% p.a.
10. Periodic Profit frequency: Semi-annual
11. Details of utilisation of proceeds: **Issuer**
The proceeds from the Subordinated Sukuk Murabahah issued under the Subordinated Sukuk Programme shall be used for the commodity murabahah transaction.
- Obligor**
- The proceeds from the commodity murabahah transaction shall be utilised for BKR’s Shariah-compliant business expansion programme, general banking, working capital and general corporate purposes.
12. Ratings: The Subordinated Sukuk Murabahah to be issued have been rated AA3(s) by RAM Rating Services Berhad.
13. Subordinated Sukuk Murabahah to be included as Tier 2 capital of the Obligor: Yes
- The Subordinated Sukuk Murabahah are intended to be included as Tier 2 capital of the Obligor, and accordingly, the Subordinated Sukuk Murabahah may, at the

option of Bank Negara Malaysia (“BNM”), be written-off upon the occurrence of a Non-Viability Event in relation to the Issuer and/or the Obligor as described in paragraph 32.1 of the Capital Adequacy Framework (Capital Components) issued by BNM dated 13 October 2015.

14. Other Conditions:

Please refer to the Conditions for the other terms and conditions applicable to the Subordinated Sukuk Murabahah.

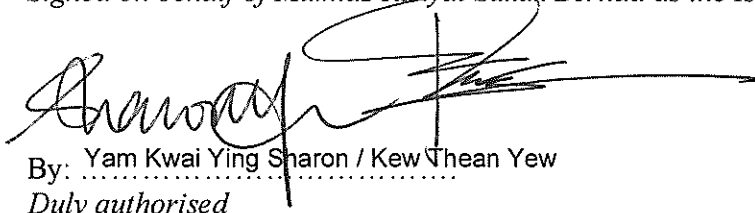
PURPOSE OF FINAL TERMS

This Pricing Supplement comprise the final terms required for the issue of the tranche of Subordinated Sukuk Murabahah described herein pursuant to the Subordinated Sukuk 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 prevailing on and is not false, misleading or contain any material omission as at the date of this Pricing Supplement.

Signed on behalf of Mumtaz Rakyat Sukuk Berhad as the Issuer:



By: Yam Kwai Ying Sharon / Kew Thean Yew
Duly authorised

Signed on behalf of Bank Kerjasama Rakyat Malaysia Berhad as the Obligor:

By:
Duly authorised

By:
Duly authorised

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Signed on behalf of Mumtaz Rakyat Sukuk Berhad as the Issuer:

By:
Duly authorised

Signed on behalf of Bank Kerjasama Rakyat Malaysia Berhad as the Obligor:


By:
Duly authorised
NOR HAIMEE ZAKARIA
CHIEF FINANCE OFFICER


By:
Duly authorised
AMREN FAISAL BIN FADZIL
CHIEF TREASURY OFFICER
BANK RAKYAT