

PRICING SUPPLEMENT



HONG LEONG INVESTMENT BANK BERHAD
(Company No. 10209-W)
(Incorporated in Malaysia)

Tranche No. 2

Issue of RM100,000,000.00
nominal amount of Subordinated Notes

pursuant to the

Multi-Currency Subordinated Notes Programme of up to RM1.0 billion (or its equivalent in
other currencies) in nominal value

Principal Adviser/Lead Arranger/Lead Manager



HONG LEONG INVESTMENT BANK BERHAD
(Company No. 10209-W)
(Incorporated in Malaysia)

The date of this Pricing Supplement is 28 May 2019

This document is issued to give details of an issue of subordinated notes (the “**Subordinated Notes**”) by Hong Leong Investment Bank Berhad (the “**Issuer**”) pursuant to a 25 year Multi-Currency Subordinated Notes Programme of up to RM1.0 billion (or its equivalent of other currencies) in nominal value (the “**Multi-Currency Subordinated Notes Programme**”).

This Pricing Supplement is to be read in conjunction with the terms and conditions of the Subordinated Notes (“**Conditions**”) set out in the trust deed dated 15 October 2014 made between the Issuer and **PACIFIC TRUSTEES BERHAD** (Company No. 317001-A), which is made a part hereof as if set forth herein and all documents incorporated by reference therein (collectively, the “**Trust Deed**”). The Trust Deed is available for viewing during normal business hours at the registered office of the Issuer at Level 30, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

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 Conditions, the terms set forth in this Pricing Supplement shall govern.

The establishment of the Multi-Currency Subordinated Notes Programme and the issuance of this tranche of Subordinated Notes have been duly authorised by the Issuer by way of the resolutions of its board of directors dated 28 October 2013, 22 April 2014 and 25 January 2019.

The Issuer hereby acknowledges that it has authorised Hong Leong Investment Bank Berhad (Company No. 10209-W) as the Lead Manager for the Multi-Currency Subordinated Notes 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 Notes **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 Notes described herein pursuant to the Multi-Currency Subordinated Notes Programme and that no further evidence of authorisation is required.

The Selling Restriction for the Subordinated Notes is as follows:

(a) Selling Restrictions at issuance for unrated RM denominated Subordinated Notes

The unrated RM denominated Subordinated Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person falling within any of the categories of persons or in the circumstances specified under:

- (i) Part 1 of Schedule 6 (or Section 229(1)(b)) and Part 1 of Schedule 7 (or Section 230(1)(b)); read together with
- (ii) Schedule 9 (or Section 257(3))

of the CMSA as amended from time to time, and such other selling restrictions as may be applicable outside Malaysia.

(b) Selling Restrictions after issuance for RM denominated Subordinated Notes

The unrated RM denominated, Subordinated Notes may only be offered, sold, transferred or otherwise disposed directly or indirectly, to a person falling within any of the categories of persons or in the circumstances specified under:

- (i) Part 1 of Schedule 6 (or Section 229(1)(b)); read together with
- (ii) Schedule 9 (or Section 257(3))

of the CMSA as amended from time to time, and such other selling restrictions as may be applicable outside Malaysia.

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

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

SPECIFIC FINAL TERMS

- | | |
|---|---|
| 1. Issuer: | HONG LEONG INVESTMENT BANK BERHAD (Company No. 10209-W). |
| 2. Tranche Number: | 2. |
| 3. Nominal value: | RM100,000,000.00. |
| 4. Issue Price: | RM100,000,000.00. |
| 5. Specified Denominations:
<i>(this means the minimum integral amount in which transfers can be made)</i> | RM1,000.00 and integral multiples of RM1,000.00. |
| 6. Issue Date: | 14 June 2019. |
| 7. Tenure of Subordinated Notes to be issued: | 10 Non Call 5. |

- | | | |
|-----|--|--|
| 8. | Maturity Date: | 14 June 2029. |
| 9. | Callable (with first call date) | Any interest or coupon payment date falling after a minimum period of five (5) years from the Issue Date, at the option of the Issuer with the first call date on 14 June 2024. |
| 10. | Yield: | 4.23% per annum.

<i>The yield is calculated as at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.</i> |
| 11. | Coupon/Interest Rate: | 4.23% per annum. |
| 12. | Coupon/Interest payment frequency: | Semi-annual. |
| 13. | Details of utilisation of proceeds: | The proceeds from the issuance of Subordinated Notes will be utilised, without limitation, for working capital, general banking and other corporate purposes and where applicable the refinancing of any existing borrowings incurred and any Subordinated Notes issued. |
| 14. | Ratings | Unrated. |
| 15. | Tradable and Transferable | Yes. |
| 16. | Subordinated Notes to be included in consolidated capital level of Hong Leong Financial Group Berhad group (i.e. Consolidated Recognition Option): | Not applicable. |
| 15. | Other Conditions: | Please refer to the Conditions for the other terms and conditions applicable to the Subordinated Notes. |

CONFLICT-OF-INTEREST SITUATIONS AND APPROPRIATE MITIGATING MEASURES

There may be a potential conflict-of-interest situation arising from the tasking of Hong Leong Investment Bank Berhad (“HLIB”) as the Principal Adviser, Lead Arranger and Lead

Manager as well as the Facility Agent for the Multi-Currency Subordinated Notes Programme in view that both the Issuer and HLIB are the same entity.

Notwithstanding the above, the Issuer has considered the factors involved and believes the objectivity and independence of HLIB in carrying out its role as the Principal Adviser, Lead Arranger, Lead Manager and Facility Agent of the Multi-Currency Subordinated Notes Programme has been and/or will be maintained at all times for the following reasons:

- the conduct of HLIB is regulated by the Financial Services Act 2013, the CMSA and HLIB has in place its own internal controls and checks with regards to transactions involving its related corporations; and
- HLIB is a licensed investment bank and has been tasked by the Issuer as the Principal Adviser, Lead Arranger, Lead Manager and Facility Agent under the Multi-Currency Subordinated Notes Programme in the ordinary course of its business. Such tasks are governed by various agreement(s) and/or document(s) which set out the rights, duties and obligations of HLIB acting in such capacities;

and in order to further mitigate or address any such potential conflict of interest, the following measures have been/will be taken:

- the appointment of Adnan Sundra & Low as an external independent solicitor to conduct a legal due diligence review on the Issuer in relation to the establishment of the Multi-Currency Subordinated Notes Programme;
- the potential conflict of interest situation has been brought to the attention of the Board of Directors of the Issuer and hence the Board of Directors of the Issuer is fully aware of the same. The Board has acknowledged and confirmed that having considered the above situation, the Board of Directors of the Issuer is agreeable to proceed with the issuance of this tranche of Subordinated Notes; and
- the potential conflict of interest situation will be disclosed by the Issuer to prospective subscribers.

To the best of the Issuer's knowledge, the Issuer is not aware of any circumstances that would give rise to a conflict-of-interest or a potential conflict-of-interest situation arising from the appointment of (i) Pacific Trustees Berhad in its capacity as the trustee; and (ii) Adnan Sundra & Low in its capacity as the solicitor acting for the Principal Adviser and Lead Arranger, in relation to the Multi-Currency Subordinated Notes Programme.

PURPOSE OF FINAL TERMS

This Pricing Supplement comprise the final terms required for the issue of the tranche of Subordinated Notes described herein pursuant to the Subordinated Notes.

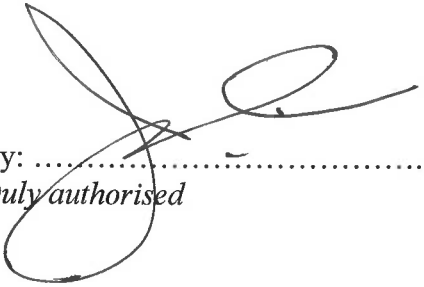
RESPONSIBILITY

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 for and on behalf of
HONG LEONG INVESTMENT BANK BERHAD
(Company No. 10209-W)

By:
Duly authorised

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right, positioned over the dotted line of the signature line.