



**sembcorp  
marine**

**SEMBCORP MARINE LTD**

(Incorporated in the Republic of Singapore on 25 April 1963)  
(UEN / Registration No. 196300098Z)

and

**JURONG SHIPYARD PTE LTD**

(Incorporated in the Republic of Singapore on  
29 December 1999)  
(UEN / Registration No. 199908265G)

**SEMBAWANG SHIPYARD PTE LTD**

(Incorporated in the Republic of Singapore on  
20 August 1996)  
(UEN / Registration No. 199606058N)

**SMOE PTE LTD**

(Incorporated in the Republic of Singapore on  
25 June 1987)  
(UEN / Registration No. 198701800R)

**S\$2,000,000,000**

**Multicurrency Multi-Issuer Debt Issuance Programme  
guaranteed (other than in respect of Securities of Sembcorp Marine Ltd) by  
SEMBCORP MARINE LTD  
(the "Programme")**

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription for or purchase of, the notes ("**Notes**") and perpetual securities (the "**Perpetual Securities**") and, together with the notes, the "**Securities**") to be issued from time to time by Sembcorp Marine Ltd ("**SCM**"), Jurong Shipyard Pte Ltd ("**JSPL**"), Sembawang Shipyard Pte Ltd ("**SSPL**") and SMOE Pte Ltd ("**SMOE**") (each an "**Issuer**" and together, the "**Issuers**") pursuant to the Programme may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed for or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

All sums payable in respect of Securities issued from time to time by JSPL, SSPL and SMOE are unconditionally and irrevocably guaranteed by SCM as guarantor (in such capacity, the "**Guarantor**").

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and quotation for any Securities which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantor, their respective subsidiaries and associated companies or such Securities.

*Arrangers*



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## NOTICE

DBS Bank Ltd. and Standard Chartered Bank (the “**Arrangers**”) have been authorised by the Issuers to arrange the Programme described herein. Under the Programme, each of the Issuers may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Securities denominated in Singapore dollars and/or any other currencies. The payment of all amounts payable in respect of Securities issued by JSPL, SSPL and SMOE will be unconditionally and irrevocably guaranteed by SCM (in such capacity, the “**Guarantor**”).

This Information Memorandum contains information with regard to the Issuers, their respective subsidiaries, the Guarantor, the Programme and the Securities. Each of the Issuers and the Guarantor, having made all reasonable enquiries, confirms that this Information Memorandum contains all information which is or may be material in the context of the Programme, the issue and offering of the Securities and the giving of the Guarantee (as defined herein), that all the information contained herein is true and accurate in all material respects, that the opinions, expectations and intentions of the Issuers and the Guarantor expressed in this Information Memorandum have been carefully considered, and that there are no other material facts the omission of which in the context of the Programme, the issue and offering of the Securities and the giving of the Guarantee would or might make any such information or expressions of opinion, expectation or intention misleading.

Notes may be issued in Series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under “Summary of the Programme”)) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each Series may be issued in one or more Tranches on the same or different issue dates. The Notes will be issued in bearer form or registered form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Security (as defined herein) in bearer form, a Permanent Global Security or a registered Global Certificate (as defined herein) which will be deposited on the issue date with either CDP (as defined herein) or a common depositary on behalf of Euroclear Bank SA/NV, as operator of the Euroclear System (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) or otherwise delivered as agreed between the Relevant Issuer (as defined herein) and the Relevant Dealer (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes will have maturities of such tenor as may be agreed between the Relevant Issuer and the Relevant Dealer and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Relevant Issuer and the Relevant Dealer. The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the pricing supplement issued in relation to each Series or Tranche of Notes. Details applicable to each Series or Tranche of Notes will be specified in the applicable pricing supplement which is to be read in conjunction with this Information Memorandum.

Perpetual Securities may be issued in Series having one or more issue dates and on identical terms (including as to listing) except for the issue dates, issue prices and/or the dates of the first payment of distribution. Each Series may be issued in one or more Tranches on the same or different issue dates. The Perpetual Securities will be issued in bearer form or registered form and may be listed on a stock exchange. The Perpetual Securities will initially be represented by either a Temporary Global Security in bearer form or a Permanent Global Security in bearer form or a registered Global Certificate which will be deposited on the issue date with either CDP or a common depositary on behalf of Euroclear and Clearstream, Luxembourg or otherwise delivered as agreed between the Relevant Issuer and the Relevant Dealer. Subject to compliance with all relevant laws, regulations and directives, the Perpetual Securities may be subject to redemption or purchase in whole or in part. The Perpetual Securities will confer a right to receive distributions at a fixed or floating rate. Details applicable to each Series or Tranche of Perpetual Securities will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

On 6 January 2010, the Programme limit was increased to S\$2,000,000,000 and an additional issuer, SMOE (together with SCM, JSPL and SSPL, referred to as “**Issuers**” and each an “**Issuer**”), was added to the Programme. The maximum aggregate principal amount of the Securities to be issued, when added

to the aggregate principal amount of all Securities outstanding (as defined in the Trust Deed referred to below) shall be S\$2,000,000,000 (or its equivalent in any other currencies) or such higher amount as may be agreed between the Issuers, the Guarantor and the Arrangers.

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuers, the Guarantor, the Arrangers or the Dealers (as defined herein). Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of any of the Issuers, the Guarantor or any of their respective subsidiaries or associated companies (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme may be used for the purpose of, or constitutes an offer of, or solicitation or invitation by or on behalf of any of the Issuers, the Guarantor, the Arrangers or the Dealers to subscribe for or purchase, the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information and the offer of the Securities in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum or any such other document or information or into whose possession this Information Memorandum or any such other document or information comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

The Securities and the Guarantee have not been, and will not be, registered under the Securities Act (as defined herein) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Securities which are in bearer form are subject to U.S. tax law requirements. The Securities may not be offered, sold or (in the case of Securities in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of any of the Issuers, the Guarantor, the Arrangers or the Dealers to subscribe for or purchase, any of the Securities.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the Relevant Dealers of the Securities from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the Relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, subscription, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuers or any of their respective subsidiaries or associated companies (if any), in the Guarantor or its subsidiaries or associated companies or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

None of the Arrangers, the Dealers or any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Securities or the subscription therefor, purchase thereof or acquisition thereof or the creditworthiness or financial condition or otherwise of any of the Issuers, the Guarantor or their respective subsidiaries or associated companies (if any).

To the fullest extent permitted by law, none of the Arrangers or the Dealers accepts any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by either of the Arrangers or any of the Dealers or on its behalf in connection with the Issuers,

the Guarantor, or the issue and offering of the Securities. Each Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Securities is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by any of the Issuers, the Guarantor, the Arrangers or the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Securities. A prospective subscriber or purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuers, the Guarantor and their respective subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuers and the Guarantor. Accordingly, notwithstanding anything herein, none of the Issuers, the Guarantor, the Arrangers, any of the Dealers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Information Memorandum or such other document or information (or such part thereof).

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated or unconsolidated accounts and/or unaudited interim results of the Issuers, the Guarantor and their respective subsidiaries and (2) any supplement or amendment to this Information Memorandum issued by any of the Issuers. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any Series or Tranche of Securities, any pricing supplement in respect of such Series or Tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. Copies of all such documents deemed incorporated by reference herein are available for inspection at the specified offices of the respective Issuers.

Any subscription, purchase or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement (as defined herein) and the issue of the Securities by the Relevant Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the subscription for, purchase of or acquisition of the Securities or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuers, the Guarantor, either of the Arrangers or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Issuers pursuant to the Programme Agreement.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Relevant Dealer or any affiliate of the Relevant Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Relevant Dealer or its affiliate on behalf of the Relevant Issuer in such jurisdiction.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Securities set out under "Subscription, Purchase and Distribution" on pages 110 to 112 of this Information Memorandum.

**Any person(s) who is/are invited to purchase or subscribe for the Securities or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Securities or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.**

**It is recommended that persons proposing to subscribe for or purchase any of the Securities consult their own legal and other advisers before purchasing or acquiring the Securities.**

## FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would” and “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of each Issuer and/or the Group (including statements as to each Issuer’s and/or the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of each Issuer and/or the Group, expected growth in each Issuer or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of each Issuer and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others:

- changes in general political, social and economic conditions;
- changes in currency exchange and interest rates;
- demographic changes;
- changes in competitive conditions; and
- other factors beyond the control of the Issuers and the Group.

Some of these factors are discussed in greater detail in this Information Memorandum, in particular, but not limited to, the discussion under the section “Investment Considerations”.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuers or the Group to be materially different from those expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuers, the Guarantor, the Group, the Arrangers, the Dealers and the Trustee do not represent or warrant that the actual future results, performance or achievements of the Issuers or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum nor the issue of any Securities by the Issuers shall under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of the Issuers or the Group, or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum.

Further, the Issuers, the Guarantor, the Group, the Arrangers, the Dealers and the Trustee disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

## DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

- “Agency Agreement”** : The agency agreement dated 24 September 2004 between (1) SCM, JSPL and SSPL, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as agent bank, and (5) the Trustee, as trustee, as amended and restated by the Amendment and Restatement Agency Agreement and the Second Amendment and Restatement Agency Agreement, and as further amended, varied or supplemented from time to time.
- “Agent Bank”** : DBS Bank Ltd.
- “Amendment and Restatement Agency Agreement”** : The amendment and restatement agency agreement dated 6 January 2010 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as agent bank, and (5) the Trustee, as trustee.
- “Amendment and Restatement Programme Agreement”** : The amendment and restatement programme agreement dated 6 January 2010 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, and (3) the Arrangers, as arrangers and dealers.
- “Amendment and Restatement Trust Deed”** : The amendment and restatement trust deed dated 6 January 2010 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee.
- “Arrangers”** : DBS Bank Ltd. and Standard Chartered Bank.
- “Bearer Securities”** : Securities in bearer form.
- “Business Day”** : A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
- “CDP”** : The Central Depository (Pte) Limited.
- “Certificate”** : A registered certificate representing one or more Registered Securities of the same Series and, save as provided in the Conditions of the Notes or the Conditions of the Perpetual Securities, comprising the entire holding by a holder of Registered Securities of that Series.
- “Clearstream, Luxembourg”** : Clearstream Banking, *société anonyme*.
- “Common Depository”** : In relation to a Series of the Securities, a depository common to Euroclear and Clearstream, Luxembourg.
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.



<b>“Conditions”</b>	:	<ul style="list-style-type: none"> <li>(i) In relation to the Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 1 to the Trust Deed, as modified, with respect to any Notes represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional or amendment provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Notes” as set out in Part III of Schedule 1 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly; and</li>   <li>(ii) in relation to the Perpetual Securities of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part III of Schedule 5 to the Trust Deed, as modified, with respect to any Perpetual Securities represented by a Global Security or a Global Certificate, by the provisions of such Global Security or, as the case may be, Global Certificate, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Perpetual Securities of such Series and shall be endorsed on the Definitive Securities or, as the case may be, Certificates, subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Perpetual Securities” as set out in Part III of Schedule 5 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly.</li> </ul>
<b>“Couponholders”</b>	:	The holders of the Coupons.
<b>“Coupons”</b>	:	The interest or distribution coupons appertaining to an interest or distribution bearing Bearer Security.
<b>“Dealers”</b>	:	Persons appointed as dealers under the Programme.
<b>“Definitive Security”</b>	:	A definitive Bearer Security having, where appropriate, Coupons and/or a Talon attached on issue.
<b>“Directors”</b>	:	The directors (including alternate directors, if any) of the Issuers and the Guarantor (as the case may be) as at the date of this Information Memorandum.
<b>“Euroclear”</b>	:	Euroclear Bank SA/NV.
<b>“dwt”</b>	:	Dead weight tonne.
<b>“EBITDA”</b>	:	Earnings before interest, taxes, depreciation and amortisation.
<b>“EPC”</b>	:	Engineering, procurement and construction.

<b>“FPSO”</b>	:	Floating production, storage and offloading units.
<b>“FPU”</b>	:	Floating production units.
<b>“FSO”</b>	:	Floating storage and offloading vessels.
<b>“ft”</b>	:	Feet.
<b>“FY”</b>	:	Financial year ended or ending 31 December.
<b>“Global Certificate”</b>	:	A global Certificate representing Registered Securities of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of, (i) the Common Depositary, (ii) CDP and/or (iii) any other clearing system.
<b>“Global Security”</b>	:	A global Security representing Bearer Securities of one or more Tranches of the same Series, being a Temporary Global Security and/or, as the context may require, a Permanent Global Security, in each case without Coupons or a Talon.
<b>“Group”</b>	:	SCM (whether as issuer or guarantor) and its subsidiaries.
<b>“Guarantee”</b>	:	The guarantee and indemnity of the Guarantor contained in the Trust Deed and, where the context so requires, either the Senior Guarantee or the Subordinated Guarantee.
<b>“Guarantor” or “SCM”</b>	:	Sembcorp Marine Ltd.
<b>“Income Tax Act”</b>	:	Income Tax Act, Chapter 134 of Singapore, as amended or modified from time to time.
<b>“IRAS”</b>	:	Inland Revenue Authority of Singapore.
<b>“Issuers”</b>	:	SCM, JSPL, SSPL and SMOE.
<b>“Issuing and Paying Agent”</b>	:	DBS Bank Ltd.
<b>“JSPL”</b>	:	Jurong Shipyard Pte Ltd.
<b>“Jurong SML”</b>	:	Jurong SML Pte Ltd.
<b>“km”</b>	:	Kilometres.
<b>“Latest Practicable Date”</b>	:	31 July 2014.
<b>“LNG”</b>	:	Liquefied natural gas.
<b>“m”</b>	:	Metres.
<b>“MAS”</b>	:	The Monetary Authority of Singapore.
<b>“Noteholders”</b>	:	The holders of the Notes.
<b>“Notes”</b>	:	The notes to be issued by any of the Issuers under the Programme.

<b>“Permanent Global Security”</b>	:	A Global Security representing Bearer Securities of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Security.
<b>“Perpetual Securities”</b>	:	The perpetual securities to be issued by the Issuers under the Programme.
<b>“Perpetual Securityholders”</b>	:	The holders of the Perpetual Securities.
<b>“PPL Shipyard”</b>	:	PPL Shipyard Pte Ltd.
<b>“Pricing Supplement”</b>	:	In relation to a Series or Tranche, a pricing supplement, to be read in conjunction with this Information Memorandum, specifying the relevant issue details in relation to such Series or, as the case may be, Tranche.
<b>“Programme”</b>	:	The S\$2,000,000,000 Multicurrency Multi-Issuer Debt Issuance Programme of the Issuers.
<b>“Programme Agreement”</b>	:	The Programme Agreement dated 24 September 2004 made between (1) SCM, JSPL and SSPL, as issuers, (2) the Guarantor, as guarantor, and (3) the Arrangers, as arrangers and dealers, as amended and restated by the Amendment and Restatement Programme Agreement and the Second Amendment and Restatement Programme Agreement, and as further amended, varied or supplemented from time to time.
<b>“Registrar”</b>	:	DBS Bank Ltd.
<b>“Relevant Dealer(s)”</b>	:	In relation to any Tranche or Series, the Dealer or Dealers with or through whom an agreement to issue Securities has been concluded, or is being negotiated, by the Relevant Issuer.
<b>“Relevant Issuer”</b>	:	In relation to any Tranche or Series, the Issuer which has concluded, or is negotiating, an agreement with the Relevant Dealer(s) to issue, or which has issued, the Securities of that Tranche or Series.
<b>“Second Amendment and Restatement Agency Agreement”</b>	:	The second amendment and restatement agency agreement dated 18 August 2014 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as exiting issuing and paying agent, (4) Standard Chartered Bank, as exiting agent bank, (5) the Issuing and Paying Agent, as incoming issuing and paying agent, (6) the Agent Bank, as incoming agent bank, (7) the Registrar, as registrar, (8) the Transfer Agent, as transfer agent, and (9) the Trustee, as trustee.
<b>“Second Amendment and Restatement Programme Agreement”</b>	:	The second amendment and restatement programme agreement dated 18 August 2014 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, and (3) the Arrangers, as arrangers and dealers.
<b>“Second Amendment and Restatement Trust Deed”</b>	:	The second amendment and restatement trust deed dated 18 August 2014 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee.
<b>“Securities”</b>	:	The Notes and the Perpetual Securities.

<b>“Securityholders”</b>	:	The Noteholders and the Perpetual Securityholders.
<b>“Senior Guarantee”</b>	:	The Guarantee by the Guarantor of the Notes, the Senior Perpetual Securities and the Coupons relating thereto on a senior basis.
<b>“Senior Perpetual Securities”</b>	:	Perpetual Securities which are expressed to rank as senior obligations of the Relevant Issuer pursuant to Condition 3(a) of the Perpetual Securities.
<b>“SCI”</b>	:	Sembcorp Industries Ltd.
<b>“SMOE”</b>	:	SMOE Pte Ltd.
<b>“SMOE Group”</b>	:	SMOE and its subsidiaries.
<b>“Securities Act”</b>	:	Securities Act of 1933 of the United States, as amended.
<b>“Series”</b>	:	(1) (In relation to Securities other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single Series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.
<b>“SFA”</b>	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited.
<b>“Shares”</b>	:	Ordinary shares in the capital of SCM.
<b>“SSPL”</b>	:	Sembawang Shipyard Pte Ltd.
<b>“Subordinated Guarantee”</b>	:	The Guarantee by the Guarantor of the Subordinated Perpetual Securities and the Coupons relating thereto on a subordinated basis.
<b>“Subordinated Perpetual Securities”</b>	:	Perpetual Securities which are expressed to rank as subordinated obligations of the Relevant Issuer pursuant to Condition 3(b) of the Perpetual Securities.
<b>“Talons”</b>	:	Talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions.
<b>“Temporary Global Security”</b>	:	A Global Security representing Bearer Securities of one or more Tranches of the same Series on issue.
<b>“Tranche”</b>	:	Securities which are identical in all respects (including as to listing).
<b>“Transfer Agent”</b>	:	DBS Bank Ltd.

<b>“Trust Deed”</b>	:	The Trust Deed dated 24 September 2004 made between (1) SCM, JSPL and SSPL, as issuers, (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee, as amended and restated by the Amendment and Restatement Trust Deed and the Second Amendment and Restatement Trust Deed, and as further amended, varied or supplemented from time to time.
<b>“Trustee”</b>	:	DBS Trustee Limited.
<b>“United States”, “U.S.” or “U.S.A.”</b>	:	United States of America.
<b>“VLCC”</b>	:	Very large crude carrier.
<b>“S\$”, “\$” or “Singapore dollars” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore.
<b>“US\$” or “US dollars”</b>	:	United States dollars, being the lawful currency of the United States.
<b>“%”</b>	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

## **CORPORATE INFORMATION**

### **SCM**

Board of Directors : Tan Sri Mohd Hassan Marican  
Wong Weng Sun  
Ajaib Haridass  
Tang Kin Fei  
Foo Siang Guan Ron  
Lim Ah Doo  
Koh Chiap Khiong  
Ang Teik Lim Eric

Company Secretaries : Tan Yah Sze  
Kem Huey Lee Sharon

Registered Office : 29 Tanjong Kling Road  
Singapore 628054

### **JSPL**

Board of Directors : Wong Weng Sun  
Lee Yeok Hoon  
Tan Cheng Tat  
Ong Poh Kwee  
Chua San Lye  
Wang Zijian  
Tan Yah Sze

Company Secretary : Kem Huey Lee Sharon

Registered Office : 29 Tanjong Kling Road  
Singapore 628054

### **SSPL**

Board of Directors : Wong Weng Sun  
Ong Poh Kwee  
Wong Lee Lin  
Tan Cheng Tat  
Chua San Lye  
Tan Yah Sze

Company Secretary : Kem Huey Lee Sharon

Registered Office : Admiralty Road West  
Singapore 759956

## **SMOE**

Board of Directors	:	Wong Weng Sun Ong Poh Kwee Ho Nee Sin Tan Cheng Tat Chua San Lye Tan Yah Sze
Company Secretary	:	Kem Huey Lee Sharon
Registered Office	:	29 Tanjong Kling Road Singapore 628054
<b>Auditors</b>	:	KPMG LLP 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581
<b>Arrangers and Dealers of the Programme</b>	:	DBS Bank Ltd. 12 Marina Boulevard, Level 42 Marina Bay Financial Centre Tower 3 Singapore 018982  Standard Chartered Bank Marina Bay Financial Centre Tower 1 8 Marina Boulevard Level 20 Singapore 018981
<b>Legal Advisers to the Arrangers and the Trustee</b>	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
<b>Legal Advisers to the Issuers and the Guarantor</b>	:	Stamford Law Corporation 10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315
<b>Issuing and Paying Agent, Registrar and Transfer Agent</b>	:	DBS Bank Ltd. 10 Toh Guan Road #04-11 (Level 4B) DBS Asia Gateway Singapore 608838
<b>Trustee for the holders of the Securities</b>	:	DBS Trustee Limited 12 Marina Boulevard, Level 44 Marina Bay Financial Centre Tower 3 Singapore 018982

## SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Trust Deed and the relevant Pricing Supplement.

Issuers	:	Sembcorp Marine Ltd, Jurong Shipyard Pte Ltd, Sembawang Shipyard Pte Ltd and SMOE Pte Ltd.
Guarantor	:	(In respect of Securities issued by Jurong Shipyard Pte Ltd, Sembawang Shipyard Pte Ltd and SMOE Pte Ltd) Sembcorp Marine Ltd.
Arrangers	:	DBS Bank Ltd. and Standard Chartered Bank.
Dealers	:	DBS Bank Ltd. and Standard Chartered Bank and/or such other dealers as may be appointed by the Relevant Issuer in accordance with the terms of the Programme Agreement.
Issuing and Paying Agent, Registrar and Transfer Agent	:	DBS Bank Ltd.
Trustee	:	DBS Trustee Limited.
Description	:	Multicurrency Multi-Issuer Debt Issuance Programme.
Programme Size	:	The maximum aggregate principal amount of the Securities outstanding at any time shall be S\$2,000,000,000 (or its equivalent in other currencies) or such higher amount as may be agreed between the Issuers, the Guarantor and the Arrangers in accordance with the terms of the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Securities may be issued in Singapore dollars or any other currency agreed between the Relevant Issuer(s) and the Relevant Dealer(s).
Guarantee	:	The payment of all sums payable by JSPL, SSPL and SMOE under the Trust Deed and the Securities will be unconditionally and irrevocably guaranteed by the Guarantor.
Method of Issue	:	Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	:	Securities may be issued at par or at a discount, or premium, to par.
Form and Denomination of Securities	:	The Securities will be issued in bearer form or registered form and in such denominations as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s). Each Tranche or Series of Bearer Securities may initially be represented by a Temporary Global Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a Common Depository and/or any other agreed clearing



system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or for definitive Securities (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Securities upon the terms therein. Each Tranche or Series of registered Securities will initially be represented by a Global Certificate. Each Global Certificate may be registered in the name of, or in the name of a nominee of, CDP, a Common Depository and/or any other agreed clearing system. Each Global Certificate may be exchanged, upon request as described therein, in whole (but not in part) for Certificates upon the terms therein. Save as provided in the Conditions, a Certificate shall be issued in respect of each Securityholder's entire holding of registered Securities of one Series.

- Custody of the Securities : Securities which are to be listed on the SGX-ST may be cleared through CDP. Securities which are to be cleared through CDP are required to be kept with CDP as authorised depository. Securities which are to be cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a Common Depository.
- Taxation : All payments in respect of the Securities and the Coupons shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed by or within Singapore or any authority thereof having power to tax unless such withholding or deduction is required by law. In such event, the Relevant Issuer or, as the case may be, the Guarantor will pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, see the section "Singapore Taxation" herein.
- Listing : Each Series of the Securities may, if so agreed between the Relevant Issuer(s) and the Relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s), subject to all necessary approvals having been obtained.
- Selling Restrictions : For a description of certain restrictions on offers, sales and deliveries of the Securities and the distribution of offering material relating to the Securities, see the section "Subscription, Purchase and Distribution" herein. Further restrictions may apply in connection with any particular Series or Tranche of Securities.

Category 2 selling restrictions will apply for the purposes of Regulation S under the Securities Act.

Securities will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Pricing Supplement states that Securities are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) the Securities are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Securities will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982

("TEFRA"), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

Governing Law : The Programme, the Guarantee and any Securities issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.

## NOTES

Maturities : Subject to compliance with all relevant laws, regulations and directives, Notes shall have such maturities as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s).

Mandatory Redemption : Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face or on the interest payment date falling in the redemption month shown on its face.

Interest Basis : Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest.

Fixed Rate Notes : Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.

Floating Rate Notes : Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S\$ SIBOR or S\$ Swap Rate (or in any other case such other benchmark as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Relevant Issuer(s) and the Relevant Dealer(s) prior to their issue.

Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s).

Variable Rate Notes : Variable Rate Notes will bear interest at a variable rate determined in accordance with the terms and conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Relevant Issuer(s) and the Relevant Dealer(s) prior to their issue.

Hybrid Notes : Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Relevant Issuer(s) and the Relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Relevant Issuer(s) and the Relevant Dealer(s), at the rate of interest to be determined by reference to S\$ SIBOR or S\$ Swap Rate (or such other benchmark as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s) (in the case of Hybrid Notes denominated in Singapore dollars)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be

determined separately by reference to such benchmark as may be agreed between the Relevant Issuer(s) and the Relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Relevant Issuer(s) and the Relevant Dealer(s).

Zero Coupon Notes : Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.

Status of the Notes and the Senior: Guarantee : The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Relevant Issuer.

The payment obligations of the Guarantor under the Senior Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

Redemption and Purchase : If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Relevant Issuer and/or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Relevant Issuer (either in whole or in part) prior to their stated maturity at the option of the Relevant Issuer and/or the holders of the Notes.

Negative Pledge : Each Issuer (other than SCM) has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will procure that none of its subsidiaries will, create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Encumbrance**”) (except for any Permitted Encumbrance, as defined in the Trust Deed) upon the whole or any part of their undertakings, assets, property or revenues, present or future, to secure any Relevant Indebtedness (as defined in the Trust Deed), except where the principal amounts secured by such Encumbrance do not at any particular time exceed in aggregate 15 per cent. of the Consolidated Net Worth (as defined in the Trust Deed) of SCM and its Consolidated Subsidiaries (as defined in the Trust Deed), unless (i) such security is forthwith extended equally and rateably to the indebtedness of such Issuer in respect of the Notes to the satisfaction of the Trustee or (ii) the indebtedness of such Issuer in respect of the Notes have the benefit of such other security or other arrangement as the Trustee in its absolute discretion shall deem not to be materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

SCM (whether as issuer or guarantor) has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will procure that none of its Principal Subsidiaries (as defined in the Trust Deed) will, create or permit to subsist any Encumbrance (except for Permitted Encumbrance) upon the whole or any part of their respective undertakings, assets or revenues present or future to secure any Relevant Indebtedness, except where the principal amounts secured by such Encumbrance do not at any particular time exceed in aggregate 15 per cent. of the Consolidated Net Worth of SCM and its Consolidated Subsidiaries, unless, at the same time or prior thereto, SCM's obligations under the Notes, the Guarantee and the Trust Deed (as applicable) (i) are secured equally and rateably therewith to the satisfaction of the Trustee or (ii) have the benefit of such other security or other arrangement as the Trustee in its absolute discretion shall deem not to be materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution of Noteholders.

Events of Default : See Condition 10 of the Notes.

Financial Covenant : SCM (whether as issuer or guarantor) has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, SCM will ensure that the ratio of Consolidated Net Borrowings (as defined in the Trust Deed) to Consolidated Net Worth (as defined in the Trust Deed) shall not at any time be more than 1.75:1.

**PERPETUAL SECURITIES**

No Fixed Maturity : The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Relevant Issuer shall only have the right to redeem or purchase them in accordance with the terms and conditions of the Perpetual Securities.

Distribution Basis : Perpetual Securities may confer a right to distribution at fixed or floating rates.

Fixed Rate Perpetual Securities : Fixed Rate Perpetual Securities will confer a right to distribution at a fixed rate which will be payable in arrear on specified dates. If so provided on the face of the Fixed Rate Perpetual Securities, the distribution rate may be subject to reset on such date and bases as may be set out in the relevant Pricing Supplement.

Floating Rate Perpetual Securities : Floating Rate Perpetual Securities which are denominated in Singapore dollars will confer a right to distribution at a rate to be determined separately for each Series by reference to S\$ SIBOR or S\$ Swap Rate (or in any other case such other benchmark as may be agreed between the Relevant Issuer and the Relevant Dealer(s)), as adjusted for any applicable margin. Distribution periods in relation to the Floating Rate Perpetual Securities will be agreed between the Relevant Issuer and the Relevant Dealer(s) prior to their issue.

Floating Rate Perpetual Securities which are denominated in other currencies will confer a right to distribution at a rate to be determined separately for each Series by reference to such other benchmark as may be agreed between the Relevant Issuer and the Relevant Dealer(s).

Distribution Discretion : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Relevant Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date (as defined in the Conditions of the Perpetual Securities) by giving notice (an “**Optional Payment Notice**”) to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14 of the Perpetual Securities) not more than 15 nor less than five Business Days (or such other notice period as may be specified on the face of the Perpetual Security and the relevant Pricing Supplement) prior to a scheduled Distribution Payment Date.

If Dividend Pusher is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Relevant Issuer may not elect to defer any distribution if during the “Reference Period” (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following have occurred:

- (a) a discretionary dividend, distribution or other payment has been declared or paid on or in respect of any of the Relevant Issuer’s Junior Obligations (as defined in the Conditions of the Perpetual Securities) or any of the Guarantor’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the Relevant Issuer’s Parity Obligations (as defined in the terms and conditions of the Perpetual Securities) or any of the Guarantor’s Parity Obligations; or
- (b) any of the Relevant Issuer’s Junior Obligations or the Guarantor’s Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the Relevant Issuer’s Parity Obligations or any of the Guarantor’s Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Parity Obligations of the Relevant Issuer or, as the case may be, the Guarantor for Junior Obligations of the Relevant Issuer or, as the case may be, the Guarantor (a “**Compulsory Distribution Payment Event**”) and/or as otherwise specified in the applicable Pricing Supplement.

Non-Cumulative Deferral and Cumulative Deferral : If Non-Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities is non-cumulative and will not accrue distribution. The Relevant Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Relevant Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (“**Optional Distribution**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual

Securities. There is no limit on the number of times or the extent of the amount with respect to which the Relevant Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the Relevant Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a pro-rata basis.

If Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities shall constitute “**Arrears of Distribution**”. The Relevant Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a) of the Perpetual Securities) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Relevant Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(IV) of the Perpetual Securities except that Condition 4(IV)(c) of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, each amount of Arrears of Distribution shall bear distribution as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such distribution (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to Condition 4 of the Perpetual Securities and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the provisions of Condition 4 of the Perpetual Securities. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

Restrictions in the case of  
Non-Payment

: If Dividend Stopper is so provided on the face of the Perpetual Security and the relevant Pricing Supplement and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of Condition 4(IV) of the Perpetual Securities, the Relevant Issuer and the Guarantor shall not and shall procure that none of its subsidiaries shall:

- (a) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Relevant Issuer’s or the Guarantor’s Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the Relevant Issuer’s or the Guarantor’s Parity Obligations; or

- (b) redeem, reduce, cancel, buy-back or acquire for any consideration and will procure that no redemption, reduction, cancellation, buy-back or acquisition is made in respect of any of the Relevant Issuer's or the Guarantor's Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the Relevant Issuer's or the Guarantor's Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of the Relevant Issuer or, as the case may be, the Guarantor for Junior Obligations of the Relevant Issuer or, as the case may be, the Guarantor, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the Relevant Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the Relevant Issuer or, as the case may be, the Guarantor is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/or as otherwise specified in the applicable Pricing Supplement.

Status of the Senior Perpetual Securities and the Senior Guarantee :

The Senior Perpetual Securities and Coupons relating to them will constitute direct, unconditional, unsubordinated and unsecured obligations of the Relevant Issuer and will at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Relevant Issuer.

The obligations of the Guarantor under the Senior Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

Status of the Subordinated Perpetual Securities and the Subordinated Guarantee :

The Subordinated Perpetual Securities and Coupons relating to them will constitute direct, unconditional, subordinated and unsecured obligations of the Relevant Issuer and will at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with any Parity Obligations of the Relevant Issuer.

The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The obligations of the Guarantor under the Subordinated Guarantee and the Trust Deed constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with any Parity Obligations of the Guarantor.

- Subordination of Subordinated Perpetual Securities : Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Relevant Issuer or the Guarantor, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them or, as the case may be, the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Relevant Issuer or, as the case may be, the Guarantor but at least *pari passu* with all other subordinated obligations of the Relevant Issuer or, as the case may be, the Guarantor that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities or, as the case may be, the Subordinated Guarantee and in priority to the claims of shareholders of the Relevant Issuer or, as the case may be, the Guarantor and/or as otherwise specified in the applicable Pricing Supplement.
- No set-off in relation to Subordinated Perpetual Securities : Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Relevant Issuer or the Guarantor in respect of, or arising under or in connection with, the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Relevant Issuer and the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Relevant Issuer or the Guarantor in respect of, or arising under or in connection with, the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Relevant Issuer or, as the case may be, the Guarantor (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Relevant Issuer or, as the case may be, the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Relevant Issuer or, as the case may be, the Guarantor (or the liquidator or, as appropriate, administrator of the Relevant Issuer or, as the case may be, the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.
- Redemption at the Option of the Relevant Issuer : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Relevant Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face thereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.



Redemption for Taxation Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if (i) the Relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Perpetual Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Relevant Issuer or, as the case may be, the Guarantor, taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Relevant Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Redemption for Accounting Reasons : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "**SFRS**") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Relevant Issuer (the "**Relevant Accounting Standard**"), the Perpetual Securities will not or will no longer be recorded as "equity" of the Relevant Issuer pursuant to the Relevant Accounting Standard.

Redemption for Tax Deductibility : If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional

Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the Relevant Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (a) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities;
- (b) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities; or
- (c) any generally applicable official interpretation or pronouncement which is issued or announced on or after the issue date of such Perpetual Securities that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the issue date of such Perpetual Securities,

payments by the Relevant Issuer are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by the Relevant Issuer for Singapore income tax purposes.

Redemption in the case of Minimal:  
Outstanding Amount

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

Redemption upon a Change of  
Control :

If so provided on the face of the Perpetual Securities and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), following the occurrence of a Change of Control (as defined in the applicable Pricing Supplement).

- Limited right to institute proceedings in relation to Perpetual Securities : Notwithstanding any of the provisions in Condition 9 of the Perpetual Securities, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Relevant Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.
- Proceedings for winding-up : If (i) an order is made or an effective resolution is passed for the bankruptcy, winding-up, liquidation, receivership or similar proceedings of the Relevant Issuer and/or the Guarantor or (ii) the Relevant Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than 14 days (in the case of distribution or other amounts under the Perpetual Securities) or seven days (in the case of principal) (together, the “**Enforcement Events**”), the Relevant Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up of the Relevant Issuer and/or the Guarantor and/or prove in the winding-up of the Relevant Issuer and/or the Guarantor and/or claim in the liquidation of the Relevant Issuer and/or the Guarantor for such payment.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.*

The Notes are constituted by a Trust Deed dated 24 September 2004 made between (1) Sembcorp Marine Ltd (“**SCM**”), Jurong Shipyard Pte Ltd (“**JSPL**”) and Sembawang Shipyard Pte Ltd (“**SSPL**”), as issuers, (2) SCM, as guarantor (the “**Guarantor**”), and (3) DBS Trustee Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee (as amended and restated by an amendment and restatement trust deed dated 6 January 2010 and a second amendment and restatement trust deed dated 18 August 2014, each made between (1) SCM, JSPL, SSPL and SMOE Pte Ltd (“**SMOE**”), as issuers (each an “**Issuer**” and together, the “**Issuers**”), (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee, and as further amended, restated or supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Notes are issued with the benefit of a deed of covenant dated 18 August 2014 relating to the Notes executed by each Issuer (as amended, restated or supplemented from time to time, each a “**Deed of Covenant**” and together the “**Deeds of Covenant**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. The Issuers (other than SMOE) and the Guarantor have entered into an agency agreement dated 24 September 2004 made between (1) SCM, JSPL and SSPL, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as agent bank, and (5) the Trustee, as trustee (as amended and restated by an amendment and restatement agency agreement dated 6 January 2010 made between (1) the Issuers, as issuers (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as agent bank, and (5) the Trustee, as trustee, and a second amendment and restatement agency agreement dated 18 August 2014 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as exiting issuing and paying agent, (4) Standard Chartered Bank, as exiting agent bank, (5) DBS Bank Ltd., as incoming issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”), (6) DBS Trustee Limited, as incoming agent bank (in such capacity, the “**Agent Bank**”), (7) DBS Bank Ltd., as registrar (in such capacity, the “**Registrar**”), (8) DBS Bank Ltd., as transfer agent (in such capacity, the “**Transfer Agent**”), and (9) the Trustee, as trustee, and as further amended, restated or supplemented from time to time, the “**Agency Agreement**”). The Noteholders and the holders of the coupons (the “**Coupons**”) appertaining to the interest-bearing Notes (the “**Couponholders**”) in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deeds of Covenant.

Issues of Notes by an Issuer other than SCM will be guaranteed by SCM. References in these Conditions to the Guarantor and the Guarantee (as defined in the Trust Deed) shall apply only to Notes issued by an Issuer other than SCM.

Copies of the Trust Deed, the Agency Agreement and the Deeds of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

## 1. Form, Denomination and Title

### (a) Form and Denomination

- (i) The Notes of the Series of which this Note forms part (in these Conditions, the “**Notes**”) are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Denomination Amount shown hereon.
- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).
- (iii) Bearer Notes are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 7(h)) in these Conditions are not applicable.
- (iv) Registered Notes are represented by registered certificates (“**Certificates**”), serially numbered, and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

### (b) Title

- (i) Title to the Bearer Notes and the Coupons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the relevant Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Notes is represented by a Global Security (as defined in the Trust Deed) or, as the case may be, a Global Certificate (as defined in the Trust Deed) and such Global Security is held by a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (the “**Depository**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents and all other agents of the relevant Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the relevant Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the relevant Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.

- (iv) In these Conditions, and subject to Condition 1(b)(iii) above, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), “**Series**” means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and “**Tranche**” means Notes which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## 2. No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination Amount may not be exchanged for Bearer Notes of another Denomination Amount. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to Condition 2(f) below, one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the relevant Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuers, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request. No transfer of a Registered Note will be valid unless and until entered onto the Register.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in

writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).

- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the relevant Issuer, the Guarantor, the Registrar or the other Transfer Agents, but upon payment by the transferor or the transferee of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the other relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be called for redemption by the relevant Issuer at its option pursuant to Condition 6(d), (ii) after any such Note has been called for redemption or (iii) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).
- (g) **Denomination Amount:** No Note may be transferred unless the principal amount of Notes transferred and where not all of the Notes held by a holder are being transferred the principal amount of the balance of the Notes not transferred is each a minimum Denomination Amount.

### 3. Status and Guarantee

#### (a) Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.

#### (b) Guarantee

The payment of all sums expressed to be payable by each Issuer (other than SCM) under the Trust Deed, the Notes and the Coupons relating to them is unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

### 4. Negative Pledge and Financial Covenant

#### (a) Negative Pledge

- (i) In the Trust Deed, the relevant Issuer (other than SCM) has covenanted with the Trustee that so long as any of the Notes remains outstanding, such Issuer will not, and will procure that none of its subsidiaries will, create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Encumbrance**”) (except for any Permitted Encumbrance, as defined below) upon the whole or any part of their undertakings, assets, property or revenues, present or future, to secure any Relevant Indebtedness (as defined below), except where the principal amounts secured by such Encumbrance do not at any particular time exceed in aggregate 15 per cent. of the Consolidated Net Worth (as defined below) of SCM and its Consolidated Subsidiaries (as defined below), unless (1) such security is forthwith extended equally and rateably to the indebtedness of such Issuer in respect of the Notes to the satisfaction of the Trustee or (2) the indebtedness of such Issuer in respect of the Notes have the benefit of such other security or other arrangement as the Trustee in its absolute discretion shall deem not to be materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution of Noteholders.

- (ii) In the Trust Deed, SCM (whether as issuer or guarantor) has covenanted with the Trustee that so long as any of the Notes remains outstanding, it will not, and will procure that none of its Principal Subsidiaries (as defined in Condition 10(A) below) will, create or permit to subsist any Encumbrance (except for Permitted Encumbrance) upon the whole or any part of their respective undertakings, assets or revenues present or future to secure any Relevant Indebtedness, except where the principal amounts secured by such Encumbrance do not at any particular time exceed in aggregate 15 per cent. of the Consolidated Net Worth of SCM and its Consolidated Subsidiaries, unless, at the same time or prior thereto, the SCM's obligations under the Notes, the Guarantee and this Trust Deed (as applicable) (a) are secured equally and rateably therewith to the satisfaction of the Trustee or (b) have the benefit of such other security or other arrangement as the Trustee in its absolute discretion shall deem not to be materially less beneficial to the Noteholders or as shall be approved by an Extraordinary Resolution of Noteholders.

**(b) Financial Covenant**

In the Trust Deed, SCM has covenanted with the Trustee that so long as any of the Notes remains outstanding, SCM will ensure that the ratio of Consolidated Net Borrowings to Consolidated Net Worth shall not at any time be more than 1.75:1.

For the purposes of this Condition 4:

- (i) **"Balance Sheet Date"** means 30 June and 31 December or other semi-annual date at which SCM prepares its audited or unaudited Consolidated Accounts;
- (ii) **"Consolidated Accounts"** means, in relation to any annual or other Fiscal Period, the consolidated accounts of SCM and the Consolidated Subsidiaries prepared in accordance with accounting principles generally accepted in Singapore;
- (iii) **"Consolidated Net Borrowings"** means, in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of (but without double counting):
  - (1) bank overdrafts and all other indebtedness whatsoever of the Group in respect of borrowed moneys;
  - (2) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;
  - (3) the liabilities of SCM under the Trust Deed or the Notes; and
  - (4) any redeemable preference shares classified as debt, in accordance with generally accepted accounting principles in Singapore, which are issued by any member of the Group,

but after deducting therefrom any cash being placed on deposit with banks and financial institutions;

- (iv) **"Consolidated Net Worth"** means the shareholders' equity of SCM and its Consolidated Subsidiaries (including any share premium account, capital redemption reserve and any credit balance on its profit and loss account but less the aggregate of any debit balance on its profit and loss account) as shown in SCM's latest audited or unaudited Consolidated Accounts prepared as at a Balance Sheet Date less any amount included in the above which is attributable to goodwill, amounts set aside for taxation, fair value reserve and hedging reserve;
- (v) **"Consolidated Subsidiary"** means every subsidiary of SCM, the accounts of which were in the latest Consolidated Accounts, or should, in the written opinion of the Auditors (as defined in the Trust Deed) given following a request from SCM or the Trustee (to which request SCM shall ensure that the Auditors shall, as soon as reasonably practicable, reply), be in the next



Consolidated Accounts, consolidated with those of SCM in accordance with the accounting principles in accordance with which such Consolidated Accounts were or will be prepared. A report by the Auditors that in their opinion a subsidiary is or is not a Consolidated Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

- (vi) **"Fiscal Period"** means, as the context may require, a period (1) commencing on 1 January and ending on the succeeding 31 December, or (2) commencing on 1 January and ending on the succeeding 30 June provided that if SCM shall change its financial year so as to end on a date other than 31 December, the foregoing shall be amended as necessary;
- (vii) **"Indebtedness"** means any obligation present or future (actual or contingent) for the payment or repayment of money which has been borrowed or raised;
- (viii) **"Permitted Encumbrance"** means (1) any Encumbrance existing at 18 August 2014, (2) any Encumbrance created on any asset solely for the purpose of securing the financing or refinancing of the purchase, construction or development costs of such asset (including any Encumbrance created over the share capital of any special purpose vehicle acting as the borrower of limited recourse financing for the purchase, construction, development and operation of such asset), (3) liens arising solely by operation of law (or by an agreement evidencing the same) or (4) any cash cover provided or deposited in favour of or with a bank or financial institution in respect of any guarantee, letter of credit, bond or indemnity issued by that bank or financial institution at the request of any of the Issuers, the Guarantor or any of the Principal Subsidiaries; and
- (ix) **"Relevant Indebtedness"** means Indebtedness which is listed or capable of being listed on any stock exchange in Singapore and is expressed or denominated or payable or which, at the option of the relevant creditor, may be payable in Singapore Dollars.

**5. (I) Interest on Fixed Rate Notes**

**(a) Interest Rate and Accrual**

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 5(II) (d)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(I) to the Relevant Date (as defined in Condition 8).

**(b) Calculations**

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of interest payable per Calculation Amount in respect of any Note shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

**(II) Interest on Floating Rate Notes or Variable Rate Notes**

**(a) Interest Payment Dates**

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to the Relevant Date.

**(b) Rate of Interest - Floating Rate Notes**

- (i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The “**Spread**” is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the “**Rate of Interest**”.

- (ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Agent Bank on the basis of the following provisions:

- (1) in the case of Floating Rate Notes which are SIBOR Notes:
- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX - SIBOR AND SWAP OFFER RATES - RATES AT 11:00 HRS SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);
  - (B) if on any Interest Determination Date no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed "SGD SIBOR" (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;
  - (C) if on any Interest Determination Date two but not all of the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (B) above on the basis of the quotations of those Reference Banks providing such quotations; and
  - (D) if on any Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any) or if on such Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);

- (2) in the case of Floating Rate Notes which are Swap Rate Notes:
- (A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption “SGD SOR rates as of 11:00hrs London Time” under the column headed “SGD SOR” (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period and as adjusted by the Spread (if any);
  - (B) if on any Interest Determination Date, no such rate is quoted on the Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will determine the Rate of Interest for such Interest Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to four decimal places)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Agent Bank may select;
  - (C) if on any Interest Determination Date the Agent Bank is otherwise unable to determine the Rate of Interest under paragraphs (b)(ii)(2)(A) and (b)(ii)(2)(B) above, the Rate of Interest shall be determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Singapore offices of the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any), or if on such day one only or none of the Singapore offices of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Singapore offices of the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date and as adjusted by the Spread (if any);
- (3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:
- (A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:
    - (aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

- (B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and
- (C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.

- (iii) On the last day of each Interest Period, the relevant Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.
- (iv) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

**(c) Rate of Interest - Variable Rate Notes**

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
- (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the relevant Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:
- (A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;
- (B) if interest in respect of such Variable Rate Note is agreed between the relevant Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the relevant Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

- (C) if interest in respect of such Variable Rate Note is agreed between the relevant Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) and, in the event of the relevant Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and
- (2) if the relevant Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.
- (iii) The relevant Issuer has undertaken to the Issuing and Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
- (1) notify the Guarantor, the Issuing and Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and
- (2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.
- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The “**Spread**” is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 5(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 5(II)(b)(ii) above (*mutatis mutandis*) and references therein to “**Rate of Interest**” shall mean “**Fall Back Rate**”.

- (v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the relevant Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the relevant Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

- (vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

**(d) Definitions**

As used in these Conditions:

“**Benchmark**” means the rate specified as such in the applicable Pricing Supplement;

“**business day**” means, in respect of each Note:

- (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating;
- (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office; and
- (iii) if a payment is to be made on that day:
  - (1) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore;
  - (2) (in the case of Securities denominated in Euros) a day on which banks and foreign exchange markets in the TARGET System are open for settlement; and
  - (3) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the principal financial centre for that currency;

“**Calculation Amount**” means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

“**Interest Determination Date**” means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

“**Primary Source**” means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service (“**Reuters**”)) agreed by the Agent Bank;

“**Reference Banks**” means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the inter-bank market that are most closely connected with the Benchmark;

“**Relevant Currency**” means the currency in which the Notes are denominated;

“**Relevant Dealer**” means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement with whom the relevant Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

**“Relevant Financial Centre”** means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre specified in the applicable Pricing Supplement or, if none is specified, Singapore;

**“Relevant Rate”** means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

**“Relevant Time”** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

**“Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) system which was launched on 19 November 2007 or any successor thereto.

**(III) Interest on Hybrid Notes**

**(a) Interest Rate and Accrual**

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

**(b) Fixed Rate Period**

- (i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.
- (ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.



- (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

**(c) Floating Rate Period**

- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.
- (ii) The period beginning on the first day of the Floating Rate Period and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an “**Interest Period**”.
- (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) and the Agency Agreement to the Relevant Date.
- (iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

**(IV) Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount (as defined in Condition 6(h) below) of such Note (determined in accordance with Condition 6(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 6(h)).

**(V) Calculations**

**(a) Determination of Rate of Interest and Calculation of Interest Amounts**

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest or computational error) be final and binding upon all parties.

**(b) Notification**

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the relevant Issuer and the Guarantor and (in the case of Floating Rate Notes) to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth business day thereafter. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts needs to be made unless the Trustee requires otherwise.

**(c) Determination or Calculation by the Trustee**

If the Agent Bank does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(d) Agent Bank and Reference Banks**

The relevant Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the relevant Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign from its duties without a successor having been appointed as aforesaid.

**6. Redemption and Purchase**

**(a) Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

**(b) Purchase at the Option of Issuer**

If so provided hereon, the relevant Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the relevant Issuer accordingly. To exercise such option, the relevant Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the relevant Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be purchased, which shall have been drawn by or on behalf of the relevant Issuer in such place and in such manner as may be agreed between the relevant Issuer and the Trustee, subject to compliance with any applicable laws and the regulations and procedures of Euroclear, Clearstream, Luxembourg and/or the Depository, as the case may be. So long as the Notes are listed on the Singapore Exchange Securities Trading Limited, the relevant Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of Notes.

**(c) Purchase at the Option of Noteholders**

- (i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the relevant Issuer at their Redemption Amount on any Interest Payment Date and the relevant Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Variable Rate Notes (together with all unmatured Coupons and unexchanged Talons) to be purchased with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Variable Rate Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes or Certificates representing Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the relevant Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering such Variable Rate Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and in the case of Registered Notes, by surrendering the Certificate representing such Variable Rate Notes to the Registrar. The Variable Rate Notes so purchased, while held by or on behalf of the relevant Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.
- (ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the relevant Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the relevant Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Notes to be purchased (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) to be purchased with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent, any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes or Certificates so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the relevant Issuer. Such Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by

surrendering such Note (together with all unmatured Coupons and unexchanged Talons) to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar. The Notes so purchased, while held by or on behalf of the relevant Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 10, 11 and 12.

**(d) Redemption at the Option of the Issuer**

If so provided hereon, the relevant Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes or, in the case of Registered Notes, shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn by or on behalf of the relevant Issuer in such place and in such manner as may be agreed between the relevant Issuer and the Trustee, subject to compliance with any applicable laws and the regulations and procedures of Euroclear, Clearstream, Luxembourg and/or the Depository, as the case may be. So long as the Notes are listed on the Singapore Exchange Securities Trading Limited, the relevant Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Notes.

**(e) Redemption at the Option of Noteholders**

If so provided hereon, the relevant Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the relevant Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note or Certificate so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the relevant Issuer.

**(f) Redemption for Taxation Reasons**

If so provided hereon, the Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(h) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the relevant Issuer or, as the case may be, the Guarantor, taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to

the publication of any notice of redemption pursuant to this paragraph, the relevant Issuer shall deliver to the Issuing and Paying Agent and the Trustee a certificate signed by a duly authorised officer of the relevant Issuer or, as the case may be, the Guarantor, stating that the relevant Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the relevant Issuer so to redeem have occurred, and an opinion of independent tax or legal advisers of recognised standing to the effect that the relevant Issuer or, as the case may be, the Guarantor, has or is likely to become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders.

**(g) Purchases**

The relevant Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases are in compliance with all relevant laws, regulations and directives.

Notes purchased by the relevant Issuer, the Guarantor or any of their respective subsidiaries may be surrendered by the purchaser through the relevant Issuer to the Issuing and Paying Agent for cancellation or may at the option of the relevant Issuer or relevant subsidiary be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

**(h) Early Redemption of Zero Coupon Notes**

- (i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 5(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

**(i) Cancellation**

All Notes purchased by or on behalf of the relevant Issuer, the Guarantor or any of their respective subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the relevant Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes or Certificates so surrendered for cancellation may not be reissued or resold.

**7. Payments**

**(a) Principal and Interest in respect of Bearer Notes**

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency or (where the currency is the Euro) a bank in the principal financial centre of any member state of the European Union.

**(b) Principal and Interest in respect of Registered Notes**

(i) Payments of principal in respect of Registered Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b) (i).

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency or (where the currency is the Euro) a bank in the principal financial centre of any member state of the European Union.

**(c) Payments Subject to Law, etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

**(d) Appointment of Agents**

The Issuing and Paying Agent and the Agent Bank initially appointed by the Issuers and the Guarantor and their specified offices are listed below. The relevant Issuer will procure that, so long as any Note remains outstanding, there shall at all times be an Issuing and Paying Agent for such Notes with a specified office in Singapore. The relevant Issuer will further procure that, so long as any Note in registered form remains outstanding, there shall at all times be a Registrar and a Transfer Agent with specified offices in Singapore. The relevant Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Agent Bank, any Transfer Agent and the Registrar and to appoint additional or other Issuing and Paying Agents, Agent Banks, Transfer Agents and Registrars.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 16.

The Agency Agreement may be amended by the parties thereto, without the consent of the holder of any Note or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties thereto may mutually deem necessary or desirable and which does not, in the reasonable opinion of the parties thereto, adversely affect the interests of the holders of the Notes or the Coupons.

**(e) Unmatured Coupons and Unexchanged Talons**

- (i) Bearer Notes which comprise Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unexpired Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Bearer Notes comprising a Floating Rate Note, Variable Rate Note or Hybrid Note, unexpired Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note comprising a Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the relevant Issuer may require.
- (v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.

**(f) Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

**(g) Non-business days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

**(h) Default Interest**

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the relevant Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to

be equal to (in the case of all Notes denominated in Singapore dollars) the sum of two per cent. and the prime lending rate for Singapore dollars quoted by the Issuing and Paying Agent from time to time or (in the case of all Notes denominated in non-Singapore dollars) the sum of two per cent. per annum and the rate determined by the Issuing and Paying Agent to be the effective cost to it (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on it by any relevant authority or authorities) of funding the unpaid sum from such sources as it may select. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the relevant Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the relevant Issuer.

## 8. Taxation

All payments in respect of the Notes and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 16 that, upon further presentation of the Note (or relevant Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**interest**” and/or “**Early Redemption Amounts**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## 9. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within three years from the appropriate Relevant Date for payment.



## 10. Events of Default

If any of the following events (“**Events of Default**”) occurs the Trustee at its discretion may, and if so requested by holders of at least 30 per cent. in principal amount of the Notes issued by the relevant Issuer then outstanding or if so directed by an Extraordinary Resolution shall, give notice to the relevant Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

- (a) the relevant Issuer or the Guarantor does not pay the principal of, or Redemption Amount (whether becoming due upon redemption or otherwise) or (in the case of Zero Coupon Notes) the Early Redemption Amount within seven days of its due date or (in the case of any interest on any of the Notes) within 14 days of its due date;
- (b) the relevant Issuer or the Guarantor does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer or the Guarantor referred to in paragraph (a)) under any of the Issue Documents (as defined in the Trust Deed) or any of the Notes which default is incapable of remedy or, if in the opinion of the Trustee that default is capable of remedy, it is not in the reasonable opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the relevant Issuer by the Trustee;
- (c) any representation, warranty or statement by the relevant Issuer or the Guarantor in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes, is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated, and the event resulting in such default is incapable of remedy or, if in the opinion of the Trustee that default is capable of remedy, it is not in the reasonable opinion of the Trustee remedied within 30 days after notice of such default shall have been given by the Trustee to the relevant Issuer;
- (d) the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect;
- (e)
  - (i) any other present or future indebtedness of the relevant Issuer or the Guarantor or any of the Principal Subsidiaries in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any event of default or other similar event (however described) or is not paid when due or, as the case may be, within any applicable grace period originally set out in the agreement relating to that indebtedness; or
  - (ii) the relevant Issuer or the Guarantor or any of the Principal Subsidiaries fails to pay when due or expressed to be due, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (e) has/have occurred equals or exceeds S\$50,000,000 or its equivalent in other currency (on the basis of the middle spot rate for the relevant currency against the Singapore dollar as quoted by any leading bank on the day on which this paragraph (e) operates); or

- (f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or any material part of the property, assets or revenues of the relevant Issuer or the Guarantor or any of the Principal Subsidiaries and is not discharged or stayed within 30 days of having been so levied, enforced or sued out;
- (g) any security on or over all or any material part of the property, assets or revenues of the relevant Issuer, the Guarantor or any of the Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person);
- (h) the relevant Issuer, the Guarantor or any of the Principal Subsidiaries is (or is deemed by law or a court to be) insolvent or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of)

its indebtedness, enters into an agreement or arrangement for the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the relevant Issuer, the Guarantor or any of the Principal Subsidiaries;

- (i) an order is made, an effective resolution is passed for or a petition is presented for the winding-up of the relevant Issuer, the Guarantor or any of the Principal Subsidiaries (except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustee or by an Extraordinary Resolution of the Noteholders before that event occurs or (ii) (in the case of a Principal Subsidiary only) (1) where the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Guarantor or another of its subsidiaries and (2) for a voluntary winding-up of such Principal Subsidiary not involving insolvency and such an event does not have a material adverse effect on the Guarantor) or a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the relevant Issuer, the Guarantor or any of the Principal Subsidiaries or over any part of the assets of the relevant Issuer, the Guarantor or any of the Principal Subsidiaries is appointed;
- (j) the relevant Issuer, the Guarantor or any of the Principal Subsidiaries ceases or (through an official action of its board of directors) threatens to cease to carry on the whole or substantially the whole of its business or operations or disposes or threatens to dispose of the whole or any substantial part of its property or assets (except (i) (in the case of a Principal Subsidiary only) where the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Guarantor or another of its subsidiaries and (ii) where a disposal made pursuant to and in accordance with Clause 16.27 of the Trust Deed);
- (k) any step is taken by any governmental authority or agency or similar body with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any material part of the assets of the relevant Issuer, the Guarantor or any of its Principal Subsidiaries and, in relation to the Principal Subsidiaries only, such event is likely to materially and adversely affect the ability of the relevant Issuer or the Guarantor to perform or comply with its obligations under any of the Issue Documents or any of the Notes;
- (l) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 15.3 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or is in the reasonable opinion of the Trustee, modified in a manner unacceptable to the Trustee or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);
- (m) it is or will become unlawful for the relevant Issuer or the Guarantor to perform or comply with any one or more of its payment or other material obligations under any of the Notes or any of the Issue Documents;
- (n) any of the Notes or any of the Issue Documents ceases for any reason (or is claimed by the relevant Issuer or the Guarantor not) to be the legal and valid obligations of the relevant Issuer or the Guarantor, binding upon it in accordance with its terms;
- (o) any event occurs which, under the law of any relevant jurisdiction, has an analogous effect to any of the events referred to in paragraphs (f), (g), (h), (i), (j) and (k); or
- (p) the relevant Issuer or the Guarantor is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

In these Conditions:

(A) **“Principal Subsidiaries”** means any subsidiary of SCM (whether as Issuer or Guarantor):

- (aa) whose profits before tax and exceptional items, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 25 per cent. of the profits before tax and exceptional items of the Group as shown by such audited consolidated accounts; or
- (bb) whose gross assets, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 25 per cent. of the gross assets of the Group as shown by such audited consolidated accounts,

provided that if any such subsidiary (the **“Transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary or SCM (the **“Transferee”**) then if the whole or a substantial part of the business, undertaking and assets of the Transferor shall be so transferred, the Transferor shall thereupon cease to be a Principal Subsidiary and the Transferee (unless it is SCM) shall thereupon become a Principal Subsidiary.

Any Transferee which becomes a Principal Subsidiary by virtue of the proviso immediately above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profits before tax and exceptional items or (as the case may be) gross assets as shown by the accounts of such subsidiary (consolidated (if any) in the case of a company which itself has subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 25 per cent. of the consolidated profits before tax and exceptional items or (as the case may be) gross assets of the Group, as shown by such audited consolidated accounts. A report by the Auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

(B) **“subsidiary”** has the meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore.

## 11. Enforcement of Rights

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the relevant Issuer or the Guarantor as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 30 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

## 12. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee, the relevant Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Noteholders holding not less than 15 per cent. of the principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured

to its satisfaction against all costs and expenses shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

### **13. Replacement of Notes and Coupons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or, as the case may be, Transfer Agent as may from time to time be designated by the relevant Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the relevant Issuer on demand the amount payable by the relevant Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the relevant Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

### **14. Further Issues**

The relevant Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

## **15. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuers or the Guarantor or any of their respective subsidiaries without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

The Trust Deed also provides that each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of each of the Issuers and the Guarantor, and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

## **16. Notices**

Notices to the holders of Bearer Notes will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. Notices to the holders of Registered Notes shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Note(s) is or are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Noteholders, except that if the Notes are listed on the Singapore Exchange Securities Trading Limited and the rules of such exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Noteholder pursuant hereto (including to the relevant Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Certificates). Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Noteholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the relevant Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given seven days following the date of despatch to the Noteholders.

## **17. Governing Law**

The Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.

**18. Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

**Issuing and Paying Agent and Agent Bank**

DBS Bank Ltd.  
10 Toh Guan Road  
#04-11 (Level 4B)  
DBS Asia Gateway  
Singapore 608838

## TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Perpetual Securities in definitive form issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Perpetual Securities. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Perpetual Securities or on the Certificates relating to such Registered Perpetual Securities. References in the Conditions to “**Perpetual Securities**” are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Perpetual Securities and in the relevant Pricing Supplement.*

The Perpetual Securities are constituted by a Trust Deed dated 24 September 2004 made between (1) Sembcorp Marine Ltd (“**SCM**”), Jurong Shipyard Pte Ltd (“**JSPL**”) and Sembawang Shipyard Pte Ltd (“**SSPL**”), as issuers, (2) SCM, as guarantor (the “**Guarantor**”), and (3) DBS Trustee Limited (the “**Trustee**”, which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee (as amended and restated by an amendment and restatement trust deed dated 6 January 2010 and a second amendment and restatement trust deed dated 18 August 2014, each made between (1) SCM, JSPL, SSPL and SMOE Pte Ltd (“**SMOE**”), as issuers (each an “**Issuer**” and together, the “**Issuers**”), (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee, and as further amended, restated or supplemented from time to time, the “**Trust Deed**”), and (where applicable) the Perpetual Securities are issued with the benefit of a deed of covenant dated 18 August 2014 relating to the Perpetual Securities executed by each Issuer (as amended, restated or supplemented from time to time, each a “**Deed of Covenant**” and together the “**Deeds of Covenant**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. The Issuers (other than SMOE) and the Guarantor have entered into an agency agreement dated 24 September 2004 made between (1) SCM, JSPL and SSPL, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as agent bank, and (5) the Trustee, as trustee (as amended and restated by an amendment and restatement agreement dated 6 January 2010 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as issuing and paying agent, (4) Standard Chartered Bank, as paying agent, and (5) the Trustee, as trustee, and a second amendment and restatement agreement dated 18 August 2014 made between (1) the Issuers, as issuers, (2) the Guarantor, as guarantor, (3) Standard Chartered Bank, as exiting issuing and paying agent, (4) Standard Chartered Bank, as exiting agent bank, (5) DBS Bank Ltd., as incoming issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”), (6) DBS Bank Ltd., as incoming agent bank (in such capacity, the “**Agent Bank**”), (7) DBS Bank Ltd., as registrar (in such capacity, the “**Registrar**”), (8) DBS Bank Ltd., as transfer agent (in such capacity, the “**Transfer Agent**”), and (9) the Trustee, as trustee, and as further amended, restated or supplemented from time to time, the “**Agency Agreement**”). The Perpetual Securityholders and the holders (the “**Couponholders**”) of the distribution coupons (the “**Coupons**”) appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deeds of Covenant.

Issues of Perpetual Securities by an Issuer other than SCM will be guaranteed by SCM. References in these Conditions to the Guarantor and the Guarantee (as defined in the Trust Deed) shall apply only to Perpetual Securities issued by an Issuer other than SCM.

Copies of the Trust Deed, the Agency Agreement and the Deeds of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

## 1. Form, Denomination and Title

### (a) Form and Denomination

- (i) The Perpetual Securities of the Series of which this Perpetual Security forms part (in these Conditions, the “**Perpetual Securities**”) are issued in bearer form (“**Bearer Perpetual Securities**”) or in registered form (“**Registered Perpetual Securities**”) in each case in the Denomination Amount shown hereon.
- (ii) This Perpetual Security is a Fixed Rate Perpetual Security or a Floating Rate Perpetual Security (depending upon the Distribution Basis shown on its face).
- (iii) Bearer Perpetual Securities are serially numbered and issued with Coupons (and, where appropriate, a Talon) attached.
- (iv) Registered Perpetual Securities are represented by registered certificates (“**Certificates**”), serially numbered, and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Perpetual Securities by the same holder.

### (b) Title

- (i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the relevant Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.
- (iii) For so long as any of the Perpetual Securities is represented by a Global Security (as defined in the Trust Deed) or, as the case may be, a Global Certificate (as defined in the Trust Deed) and such Global Security or Global Certificate is held by a common depository for Euroclear Bank SA/NV, (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (the “**Depository**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the relevant Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, distribution and any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the relevant Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Agent Bank, the Registrar, the other Transfer Agents, all other agents of the relevant Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Perpetual Securityholder**” and “**holder of Perpetual Securities**” and related expressions shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository. For so long as any of the Perpetual Securities is represented by a Global Security or, as the case may be, a Global Certificate and such Global Security or, as the case may be, such Global Certificate is held by the Depository, the record date for the purposes of determining entitlements to any



payment of principal, distribution and any other amounts in respect of the Perpetual Security shall, unless otherwise specified by the relevant Issuer, be the date falling five business days prior to the relevant payment date.

- (iv) In these Conditions, and subject to Condition 1(b)(iii) above, **“Perpetual Securityholder”** means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and **“holder”** (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), **“Series”** means a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and **“Tranche”** means Perpetual Securities which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

## **2. No Exchange of Perpetual Securities and Transfers of Registered Perpetual Securities**

- (a) **No Exchange of Perpetual Securities:** Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.
- (b) **Transfer of Registered Perpetual Securities:** Subject to Condition 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the relevant Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuers, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request. No transfer of a Registered Perpetual Security will be valid unless and until entered onto the Register.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities:** In the case of an exercise of an Issuer’s option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the relevant Issuer, the Guarantor, the Registrar or the other Transfer Agents, but upon payment by the transferor or the transferee of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the other relevant Transfer Agent may require) in respect of tax or charges.
- (f) **Closed Periods:** No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the relevant Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of 15 days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).
- (g) **Denomination Amount:** No Perpetual Security may be transferred unless the principal amount of Perpetual Securities transferred and (where not all of the Perpetual Securities held by a holder are being transferred) the principal amount of the balance of the Perpetual Securities not transferred is each a minimum Denomination Amount.

### 3. Status and Guarantee

- (a) **Senior Perpetual Securities:** This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities (being the Perpetual Securities that specify their status as senior in the applicable Pricing Supplement).
  - (i) **Status of Senior Perpetual Securities**

The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the relevant Issuer.
  - (ii) **Guarantee of Senior Perpetual Securities**

The payment of all sums expressed to be payable by each Issuer (other than SCM) under the Trust Deed, the Senior Perpetual Securities and the Coupons relating to them are unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Senior Guarantee (as defined in the Trust Deed) are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.
- (b) **Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

(i) **Status of Subordinated Perpetual Securities**

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with any Parity Obligations of the relevant Issuer. The rights and claims of the Perpetual Securityholders and Couponholders in respect of the Subordinated Perpetual Securities are subordinated as provided in this Condition 3(b).

In these Conditions, “**Parity Obligation**” means, in relation to the relevant Issuer or the Guarantor, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the relevant Issuer or, as the case may be, the Guarantor (a) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with (in the case of the relevant Issuer) the Subordinated Perpetual Securities or (in the case of the Guarantor) the Subordinated Guarantee (as defined in the Trust Deed) and (b) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the relevant Issuer or, as the case may be, the Guarantor and/or, in the case of an instrument or security guaranteed by the relevant Issuer or the Guarantor, the issuer thereof.

(ii) **Ranking of claims on winding-up – relevant Issuer**

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the relevant Issuer, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment of principal of and distribution on the Subordinated Perpetual Securities and the Coupons relating to them are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the relevant Issuer but at least *pari passu* with all other subordinated obligations of the relevant Issuer that are not expressed by their terms to rank junior to the Subordinated Perpetual Securities and in priority to the claims of shareholders of the relevant Issuer and/or as otherwise specified in the applicable Pricing Supplement.

(iii) **No set-off – relevant Issuer**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the relevant Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the relevant Issuer. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the relevant Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the relevant Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the relevant Issuer) and, until such time as payment is made, shall hold such amount in trust for the relevant Issuer (or the liquidator or, as appropriate, administrator of the relevant Issuer) and accordingly any such discharge shall be deemed not to have taken place.

(iv) **Guarantee of Subordinated Perpetual Securities**

The payment of all sums expressed to be payable by each Issuer (other than SCM) under the Trust Deed, the Subordinated Perpetual Securities and the Coupons relating to them are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor. The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Subordinated Guarantee and the Trust Deed constitute direct, unconditional, subordinated and unsecured obligations of the

Guarantor and shall rank *pari passu* with any Parity Obligations of the Guarantor. The rights and claims of the Perpetual Securityholders in respect of the Subordinated Guarantee are subordinated as provided in this Condition 3(b).

**(v) Ranking of claims on winding up – Guarantor**

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the winding-up of the Guarantor, the rights of the Perpetual Securityholders and Couponholders in respect of Subordinated Perpetual Securities to payment under the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Guarantor but at least *pari passu* with all other subordinated obligations of the Guarantor that are not expressed by their terms to rank junior to the Subordinated Guarantee and in priority to the claims of shareholders of the Guarantor and/or as otherwise specified in the applicable Pricing Supplement.

**(vi) No set-off – Guarantor**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Guarantor in respect of, or arising under or in connection with, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Guarantor in respect of, or arising under or in connection with, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Guarantor (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Guarantor (or the liquidator or, as appropriate, administrator of the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

**4. Distribution and other Calculations**

**(I) Distribution on Fixed Rate Perpetual Securities**

**(a) Distribution Rate and Accrual**

Each Fixed Rate Perpetual Security confers a right to receive distribution on its Calculation Amount (as defined in Condition 4(II)(c)) from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security at the rate per annum (expressed as a percentage) equal to the Distribution Rate shown on the face of such Perpetual Security payable in arrear on each Distribution Payment Date or Distribution Payment Dates shown on the face of such Perpetual Security in each year.

The first payment of distribution will be made on the Distribution Payment Date next following the Distribution Commencement Date (and if the Distribution Commencement Date is not a Distribution Payment Date, will amount to the Initial Broken Amount shown on the face of such Perpetual Security).

Distribution will cease to accrue on each Fixed Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Perpetual Security is improperly withheld or refused, in which event distribution at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to the Relevant Date (as defined in Condition 7).

**(b) Distribution Rate**

The Distribution Rate applicable to each Fixed Rate Perpetual Security shall be:

- (i) (if no Reset Date is specified in the applicable Pricing Supplement),
  - a. if no Step-Up Margin is specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security; or
  - b. if a Step-Up Margin is specified in the applicable Pricing Supplement, (1) for the period from, and including, the Distribution Commencement Date to, but excluding, the Step-Up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from, and including the Step-up Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security plus the Step-Up Margin (as specified in the applicable Pricing Supplement); and
- (ii) (if a Reset Date is specified in the applicable Pricing Supplement), (1) for the period from, and including, the Distribution Commencement Date to, but excluding, the First Reset Date specified in the applicable Pricing Supplement, the rate shown on the face of such Perpetual Security and (2) for the period from, and including, the First Reset Date and each Reset Date (as shown in the applicable Pricing Supplement) falling thereafter to, but excluding, the immediately following Reset Date, the Reset Distribution Rate,

Provided always that if Redemption upon a Change of Control is specified hereon and a Change of Control Margin is specified in the applicable Pricing Supplement, in the event that a Change of Control (as defined in Condition 5(f)) has occurred, so long as the relevant Issuer has not already redeemed the Perpetual Securities in accordance with Condition 5(f), the then prevailing Distribution Rate shall be increased by the Change of Control Margin with effect from, and including the Distribution Payment Date immediately following the date on which the Change of Control occurred (or, if the Change of Control occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

For the purposes of these Conditions:

**“Reset Distribution Rate”** means the Swap Offer Rate or such other Relevant Rate to be specified in the applicable Pricing Supplement with respect to the relevant Reset Date plus the Initial Spread (as specified in the applicable Pricing Supplement) plus the Step-Up Margin (if applicable, as specified in the applicable Pricing Supplement) plus the Change of Control Margin (if applicable); and

**“Swap Offer Rate”** means:

- (1) the rate per annum (expressed as a percentage) notified by the Agent Bank to the relevant Issuer equal to the swap offer rate published by the Association of Banks in Singapore (or such other equivalent body) for a period equal to the duration of the Reset Period specified in the applicable Pricing Supplement on the second business day prior to the relevant Reset Date (the **“Reset Determination Date”**);
- (2) if on the Reset Determination Date, there is no swap offer rate published by the Association of Banks in Singapore (or such other equivalent body), the Agent Bank will determine the swap offer rate for such Reset Period (determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates (excluding the highest and the lowest rates) which appears on Page TPIS on the monitor of the Bloomberg Agency under the caption **“Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD”** and the column headed **“Ask”** (or if the Agent Bank determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Agent Bank after taking into account the industry

practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business on each of the five consecutive business days prior to and ending on the Reset Determination Date);

- (3) if on the Reset Determination Date, rates are not available on Page TPIS on the monitor of the Bloomberg Agency under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask” (or if the Agent Bank determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Agent Bank after taking into account the industry practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business on one or more of the said five consecutive business days, the swap offer rate will be the rate per annum notified by the Agent Bank to the Issuer equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates which are available in such five-consecutive-business-day period or, if only one rate is available in such five-consecutive-business-day period, such rate; and
- (4) if on the Reset Determination Date, no rate is available on Page TPIS on the monitor of the Bloomberg Agency under the caption “Tullett Prebon – Rates – Interest Rate Swaps – Asia Pac – SGD” and the column headed “Ask” (or if the Agent Bank determines that such page has ceased to be the commonly accepted page for determining the swap offer rate, such other replacement page as may be specified by the Agent Bank after taking into account the industry practice at that relevant time and the recommendations by the Association of Banks in Singapore (or such other equivalent body)) at the close of business in such five-consecutive-business-day period, the Agent Bank will request the principal Singapore offices of the Reference Banks to provide the Agent Bank with quotation(s) of their swap offer rates for a period equivalent to the duration of the Reset Period at the close of business on the Reset Determination Date. The swap offer rate for such Reset Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations, as determined by the Agent Bank or, if only one of the Reference Banks provides the Agent Bank with such quotation, such rate quoted by that Reference Bank.

**(c) Calculation of Reset Distribution Rate**

The Agent Bank will, on the second business day prior to each Reset Date, calculate the applicable Reset Distribution Rate or (if a Change of Control has occurred) the applicable Distribution Rate payable in respect of each Perpetual Security. The Agent Bank will cause the applicable Reset Distribution Rate determined by it to be notified to the Issuing and Paying Agent, the Trustee, the Registrar, the relevant Issuer and the Guarantor as soon as practicable after their determination but in no event later than the fourth business day thereafter. All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 by the Agent Bank will (in the absence of manifest error) be binding on the relevant Issuer, the Guarantor, the Paying Agents and the Perpetual Securityholders and (subject as aforesaid) no liability to any such person will attach to the Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

**(d) Publication of Relevant Reset Distribution Rate**

The relevant Issuer shall cause notice of the then applicable Reset Distribution Rate or (if a Change of Control has occurred) the applicable Distribution Rate to be promptly notified to the Perpetual Securityholders in accordance with Condition 14 after determination thereof.

**(e) Determination or Calculation by Trustee**

If the Agent Bank does not at any time for any reason so determine the applicable Reset Distribution Rate or (if a Change of Control has occurred) the applicable Distribution Rate, the Trustee shall do so and such determination or calculation shall be deemed to have been made by the Agent Bank. In doing so, the Trustee shall apply the foregoing provisions of

this Condition 4(I), with any necessary consequential amendments, to the extent that, in its opinion, it can do so and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(f) Calculations**

In the case of a Fixed Rate Perpetual Security, distribution in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon. The amount of distribution payable per Calculation Amount in respect of any Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

**(II) Distribution on Floating Rate Perpetual Securities**

**(a) Distribution Payment Dates**

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date (“**Distribution Payment Date**”). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the “**Specified Number of Months**”) after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention shown on the face of the Perpetual Security would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Distribution Commencement Date and ending on the first Distribution Payment Date and each successive period beginning on a Distribution Payment Date and ending on the next succeeding Distribution Payment Date is herein called a “**Distribution Period**”.

Distribution will cease to accrue on each Floating Rate Perpetual Security from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

**(b) Rate of Distribution - Floating Rate Perpetual Securities**

(i) Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Perpetual Security, being (in the case of Perpetual Securities which are denominated in Singapore dollars) SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or Swap Rate (in

which case such Perpetual Security will be a Swap Rate Perpetual Security) or in any case (or in the case of Perpetual Securities which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Perpetual Security.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Perpetual Security. The “**Spread**” is the percentage rate per annum specified on the face of such Perpetual Security as being applicable to the rate of distribution for such Perpetual Security. The rate of distribution so calculated shall be subject to Condition 4(IV)(a) below.

The rate of distribution payable in respect of a Floating Rate Perpetual Security from time to time is referred to in these Conditions as the “**Rate of Distribution**”.

- (ii) The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Security will be determined by the Agent Bank on the basis of the following provisions:
  - (1) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:
    - (A) the Agent Bank will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABS SIBOR FIX - SIBOR AND SWAP OFFER RATES - RATES AT 11:00 HRS SINGAPORE TIME” and under the column headed “SGD SIBOR” (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page as may be provided hereon) and as adjusted by the Spread (if any);
    - (B) if on any Distribution Determination Date no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed “SGD SIBOR” (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon), or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Perpetual Securities. The Rate of Distribution for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;
    - (C) if on any Distribution Determination Date two but not all of the Reference Banks provide the Agent Bank with such quotations, the Rate of Distribution for the relevant Distribution Period shall be determined in accordance with (B) above on the basis of the quotations of those Reference Banks providing such quotations; and
    - (D) if on any Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotations, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum which the Agent Bank determines to be the arithmetic



mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any) or if on such Distribution Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date and as adjusted by the Spread (if any);

- (2) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities:
- (A) the Agent Bank will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period and as adjusted by the Spread (if any);
  - (B) if on any Distribution Determination Date, no such rate is quoted on the Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSIRFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will determine the Rate of Distribution for such Distribution Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to four decimal places)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Agent Bank may select; and
  - (C) if on any Distribution Determination Date the Agent Bank is otherwise unable to determine the Rate of Distribution under paragraphs (b)(ii)(2)(A) and (b)(ii)(2)(B) above, the Rate of Distribution shall be determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Singapore offices of the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about 11.00 a.m. (Singapore time) on the first business day following such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any), or if on such

day one only or none of the Singapore offices of the Reference Banks provides the Agent Bank with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Singapore offices of the Reference Banks at or about 11.00 a.m. (Singapore time) on such Distribution Determination Date and as adjusted by the Spread (if any);

(3) in the case of Floating Rate Perpetual Securities which are not SIBOR Perpetual Securities or Swap Rate Perpetual Securities or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Distribution in respect of any Distribution Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Distribution in respect of such Distribution Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Distribution Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Rate of Distribution shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Distribution Determination Date and as adjusted by the Spread (if any); and

(C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.

(iii) On the last day of each Distribution Period, the relevant Issuer will pay distribution on each Floating Rate Perpetual Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

(iv) For the avoidance of doubt, in the event that the Rate of Distribution in relation to any Distribution Period is less than zero, the Rate of Distribution in relation to such Distribution Period shall be equal to zero.

**(c) Definitions**

As used in these Conditions:

“**Benchmark**” means the rate specified as such in the applicable Pricing Supplement;

**“business day”** means, in respect of each Perpetual Security:

- (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating;
- (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent’s specified office; and
- (iii) if a payment is to be made on that day:
  - (1) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore;
  - (2) (in the case of Perpetual Securities denominated in Euros) a day on which banks and foreign exchange markets in the TARGET System are open for settlement; and
  - (3) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the principal financial centre for that currency;

**“Calculation Amount”** means the amount specified as such on the face of any Perpetual Security or, if no such amount is so specified, the Denomination Amount of such Perpetual Security as shown on the face thereof;

**“Distribution Commencement Date”** means the Issue Date or such other date as may be specified as the Distribution Commencement Date on the face of such Perpetual Security;

**“Distribution Determination Date”** means, in respect of any Distribution Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Perpetual Security;

**“Primary Source”** means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service (“**Reuters**”)) agreed by the Agent Bank;

**“Reference Banks”** means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the inter-bank market that are most closely connected with the Benchmark;

**“Relevant Currency”** means the currency in which the Perpetual Securities are denominated;

**“Relevant Financial Centre”** means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre specified in the applicable Pricing Supplement or, if none is so specified, Singapore;

**“Relevant Rate”** means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Distribution Period;

**“Relevant Time”** means, with respect to any Distribution Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

**“Screen Page”** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) and such other information service as may be agreed by the Agent Bank as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) system which was launched on 19 November 2007 or any successor thereto.

**(III) Calculations**

**(a) Determination of Rate of Distribution and Calculation of Distribution Amounts**

The Agent Bank will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Rate of Distribution and calculate the amount of distribution payable (the **“Distribution Amounts”**) in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest or computational error) be final and binding upon all parties.

**(b) Notification**

The Agent Bank will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the relevant Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Rate of Distribution and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Distribution and Distribution Amounts needs to be made unless the Trustee requires otherwise.

**(c) Determination or Calculation by the Trustee**

If the Agent Bank does not at any material time determine or calculate the Rate of Distribution for a Distribution Period or any Distribution Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

**(d) Agent Bank and Reference Banks**

The relevant Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts, the

relevant Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign from its duties without a successor having been appointed as aforesaid.

**(IV) Distribution Discretion**

**(a) Optional Payment**

If Optional Payment is set out hereon, the relevant Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice (an “**Optional Payment Notice**”) to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 15 nor less than five business days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date.

If a Dividend Pusher is set out hereon, the relevant Issuer may not elect to defer any distribution if during the “Reference Period” (as specified in the applicable Pricing Supplement) ending on the day before that scheduled Distribution Payment Date, either or both of the following have occurred:

- (i) a discretionary dividend, distribution or other payment has been declared or paid on or in respect of any of the relevant Issuer’s Junior Obligations or the Guarantor’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the relevant Issuer’s Parity Obligations or any of the Guarantor’s Parity Obligations; or
- (ii) any of relevant Issuer’s Junior Obligations or the Guarantor’s Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or, in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the relevant Issuer’s Parity Obligations or any of the Guarantor’s Parity Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group (as defined in the Trust Deed) or (2) as a result of the exchange or conversion of Parity Obligations of the relevant Issuer or, as the case may be, the Guarantor for Junior Obligations of the relevant Issuer or, as the case may be, the Guarantor (a “**Compulsory Distribution Payment Event**”) and/or as otherwise specified in the applicable Pricing Supplement.

In these Conditions, “**Junior Obligation**” means, in relation to the relevant Issuer or the Guarantor, any of its ordinary shares and any class of its share capital and any other instruments or securities (including without limitation any preference shares, preferred units or subordinated perpetual securities) issued, entered into or guaranteed by the relevant Issuer or, as the case may be, the Guarantor that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Perpetual Securities or, as the case may be, the Guarantee (as defined in Trust Deed).

Each Optional Payment Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, by a certificate signed by a director or a duly authorised officer of the relevant Issuer confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Perpetual Securityholder or any other person on any Optional Payment Notice or any certificate as aforementioned. Each Optional Payment Notice shall be conclusive and binding on the Perpetual Securityholders.

**(b) No obligation to pay**

Subject to Condition 4(IV)(c) and Condition 4(IV)(d), the relevant Issuer shall have no obligation to pay any distribution on any Distribution Payment Date and any failure to pay a distribution in whole or in part shall not constitute a default of the relevant Issuer in respect of the Perpetual Securities.

**(c) Non-Cumulative Deferral and Cumulative Deferral**

- (i) If Non-Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) is non-cumulative and will not accrue distribution. The relevant Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The relevant Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (“**Optional Distribution**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e). There is no limit on the number of times or the extent of the amount with respect to which the relevant Issuer can elect not to pay distributions pursuant to this Condition 4(IV).

Any partial payment of outstanding Optional Distribution by the relevant Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a pro-rata basis.

- (ii) If Cumulative Deferral is set out hereon, any distribution deferred pursuant to this Condition 4(IV) shall constitute “**Arrears of Distribution**”. The relevant Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 4(IV)(a)) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The relevant Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(IV) except that this Condition 4(IV)(c) shall be complied with until all outstanding Arrears of Distribution have been paid in full.
- (iii) If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall bear distribution as if it constituted the principal of the Perpetual Securities at the Distribution Rate or Rate of Distribution (as the case may be) and the amount of such distribution (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate or Rate of Distribution (as the case may be) to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

**(d) Restrictions in the case of Non-Payment**

If Dividend Stopper is set out hereon and on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full by reason of this Condition 4(IV), the relevant Issuer and the Guarantor shall not and shall procure that none of its subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the relevant Issuer’s or the Guarantor’s Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the relevant Issuer’s or the Guarantor’s Parity Obligations; or

- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration and will procure that no redemption, reduction, cancellation, buy-back or acquisition is made in respect of any of the relevant Issuer's or the Guarantor's Junior Obligations or in relation to Subordinated Perpetual Securities only, (except on a pro-rata basis) any of the relevant Issuer's or the Guarantor's Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of the relevant Issuer or, as the case may be, the Guarantor for Junior Obligations of the relevant Issuer or, as the case may be, the Guarantor, unless and until (A) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) the relevant Issuer has satisfied in full all outstanding Arrears of Distribution, (B) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Perpetual Securities has occurred, the next scheduled distribution has been paid in full or an Optional Distribution equal to the amount of a distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full or (C) the relevant Issuer or, as the case may be, the Guarantor is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Perpetual Securityholders and/ or as otherwise specified in the applicable Pricing Supplement.

**(e) Satisfaction of Optional Distribution or Arrears of Distribution**

The relevant Issuer:

- (i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee and the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 15 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the relevant Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:
  - (A) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);
  - (B) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and
  - (C) the date such amount becomes due under Condition 9 or on a winding-up of the relevant Issuer or the Guarantor.

Any partial payment of an Optional Distribution or Arrears of Distribution, as the case may be, by the relevant Issuer shall be shared by the Perpetual Securityholders of all outstanding Perpetual Securities on a pro-rata basis.

**(f) No Default**

Notwithstanding any other provision in these Conditions, the non-payment of any distribution payment in accordance with this Condition 4(IV) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the relevant Issuer under the Perpetual Securities.

## **5. Redemption and Purchase**

### **(a) No Fixed Redemption Date**

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the relevant Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right to redeem or purchase them in accordance with the following provisions of this Condition 5.

### **(b) Redemption at the Option of the Issuer**

If so provided hereon, the relevant Issuer may, on giving irrevocable notice to the Perpetual Securityholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the relevant Issuer in such place and in such manner as may be agreed between the relevant Issuer and the Trustee, subject to compliance with any applicable laws and the regulations and procedures of Euroclear, Clearstream, Luxembourg and/or the Depository, as the case may be. So long as the Perpetual Securities are listed on the Singapore Exchange Securities Trading Limited, the relevant Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Perpetual Securities.

### **(c) Redemption for Taxation Reasons**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if (i) the relevant Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the relevant Issuer or, as the case may be, the Guarantor, taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the relevant Issuer shall deliver to the Issuing and Paying Agent and the Trustee a certificate signed by a duly authorised officer of the relevant Issuer or, as the case may be, the Guarantor, stating that the relevant Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the relevant Issuer so to redeem have occurred, and an opinion of independent tax or legal advisers of recognised standing to the effect that the relevant Issuer or, as the case may be, the Guarantor, has or is likely to become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled



to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Perpetual Securityholders.

**(d) Redemption for Accounting Reasons**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, on such Distribution Payment Date or any time after that Distribution Payment Date, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council, as amended from time to time (the "SFRS") or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the relevant Issuer (the "Relevant Accounting Standard"), the Perpetual Securities will not or will no longer be recorded as "equity" of the relevant Issuer pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the relevant Issuer shall deliver to the Trustee:

- (i) a certificate, signed by two duly authorised officers of the relevant Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (ii) an opinion of the relevant Issuer's independent auditors stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Perpetual Securityholders. Upon the expiry of any such notice as is referred to in this Condition 5(d), the relevant Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(d).

**(e) Redemption for Tax Deductibility**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), if the relevant Issuer satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or
- (iii) any generally applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date,

payments by the relevant Issuer are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by the relevant Issuer for Singapore income tax purposes.

Prior to the publication of any notice of redemption pursuant to this Condition 5(e), the relevant Issuer shall deliver or procure that there is delivered to the Trustee:

- (i) a certificate, signed by two duly authorised officers of the relevant Issuer stating that the circumstances referred to above prevail and setting out the details of such circumstances; and
- (ii) an opinion of the relevant Issuer's independent tax or legal adviser of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime is due to take effect.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Perpetual Securityholders. Upon the expiry of any such notice as is referred to in this Condition 5(e), the relevant Issuer shall be bound to redeem the Perpetual Securities in accordance with this Condition 5(e).

**(f) Redemption upon a Change of Control**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to the date fixed for redemption), following the occurrence of a Change of Control (as defined in the applicable Pricing Supplement).

**(g) Redemption in the case of Minimal Outstanding Amount**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount (together with distribution (including Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption) if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued.

Upon expiry of any such notice as is referred to in this Condition 5(g), the relevant Issuer shall be bound to redeem all the Perpetual Securities in accordance with this Condition 5(g).

**(h) Purchases**

The relevant Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Perpetual Securities at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases are in compliance with all relevant laws, regulations and directives.

Perpetual Securities purchased by the relevant Issuer, the Guarantor or any of their respective subsidiaries may be surrendered by the purchaser through the relevant Issuer to, in the case of Bearer Securities, the Issuing and Paying Agent and, in the case of Registered Securities, the Registrar for cancellation or may, at the option of the relevant Issuer, the Guarantor or, as the case may be, the relevant subsidiary, be held or resold.

For the purposes of these Conditions, “**directive**” includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

**(i) Cancellation**

All Perpetual Securities purchased by or on behalf of the relevant Issuer, the Guarantor or any of their respective subsidiaries may be surrendered for cancellation, in the case of Bearer Perpetual Securities, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Perpetual Securities, by surrendering the Certificate representing such Perpetual Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Securities redeemed by the relevant Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities or Certificates so surrendered for cancellation may not be reissued or resold.

**6. Payments**

**(a) Principal and Distribution in respect of Bearer Perpetual Securities**

Payments of principal and distribution in respect of Bearer Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities or Coupons, as the case may be, at the specified office of any Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency or (where the currency is the Euro) a bank in the principal financial centre of any member state of the European Union.

**(b) Principal and Distribution in respect of Registered Perpetual Securities**

(i) Payments of principal in respect of Registered Perpetual Securities will, subject as mentioned below, be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).

(ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of distribution on each Registered Perpetual Security shall be made by a cheque drawn in the currency in which payment is due on and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of distribution may be made by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency or (where the currency is the Euro) a bank in the principal financial centre of any member state of the European Union.

**(c) Payments Subject to Law, etc.**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Perpetual Securityholders or Couponholders in respect of such payments.

**(d) Appointment of Agents**

The relevant Issuer will procure that, so long as any Perpetual Security remains outstanding, there shall at all times be an Issuing and Paying Agent for the Perpetual Securities with a specified office in Singapore. The relevant Issuer will further procure that, so long as any Perpetual Security in registered form remains outstanding, there shall at all times be a Registrar and a Transfer Agent with specified offices in Singapore. The relevant Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent,

the Agent Bank, any Transfer Agent and the Registrar and to appoint additional or other Issuing and Paying Agents, Agent Banks, Transfer Agents and Registrars, in each case in accordance with the Agency Agreement.

Notice of any such change or any change of any specified office will promptly be given to the Perpetual Securityholders in accordance with Condition 14.

The Agency Agreement may be amended by the parties thereto, without the consent of the holder of any Perpetual Security or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties thereto may mutually deem necessary or desirable and which does not, in the reasonable opinion of the parties thereto, adversely affect the interests of the holders of the Perpetual Securities or the Coupons.

**(e) Unmatured Coupons and Unexchanged Talons**

- (i) Bearer Perpetual Securities which comprise Fixed Rate Perpetual Securities should be surrendered for payment together with all unexpired Coupons (if any) relating to such Perpetual Securities, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Subject to the provisions of the relevant Pricing Supplement, upon the due date for redemption of any Bearer Perpetual Security comprising a Floating Rate Perpetual Security, unexpired Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Perpetual Security, any unexpired Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Perpetual Security comprising a Floating Rate Perpetual Security is presented for redemption without all unexpired Coupons, and where any Bearer Perpetual Security is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the relevant Issuer may require.
- (v) If the due date for redemption or repayment of any Perpetual Security is not a due date for payment of distribution, distribution accrued from the preceding due date for payment of distribution or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Perpetual Security or Certificate.

**(f) Talons**

On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Perpetual Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).

**(g) Non-business days**

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest, distribution or other payment in respect of any such delay.

## 7. Taxation

All payments in respect of the Perpetual Securities and the Coupons by the relevant Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Perpetual Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Perpetual Security or Coupon presented (or in respect of which the Certificate representing it is presented) for payment:

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (c) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Perpetual Security or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Perpetual Securityholders in accordance with Condition 14 that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to “**principal**” shall be deemed to include any premium payable in respect of the Perpetual Securities, all Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 and any reference to “**principal**” and/or “**premium**” and/or “**Redemption Amounts**” and/or “**distribution**” shall be deemed to include any additional amounts which may be payable under these Conditions.

## 8. Prescription

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within three years from the appropriate Relevant Date for payment.

## 9. Non-Payment

### (a) Non-Payment when Due

Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the relevant Issuer has elected not to pay that distribution in accordance with Condition 4(IV). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the relevant Issuer and/or the Guarantor in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities, the Guarantee or the Trust Deed.

### (b) Proceedings for Winding-Up

If (i) an order is made or an effective resolution is passed for the bankruptcy, winding-up, liquidation, receivership or similar proceedings of the relevant Issuer and/or the Guarantor or (ii) the relevant Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor

fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than 14 days (in the case of distribution or other amounts under the Perpetual Securities) or seven days (in the case of principal) (together, the “**Enforcement Events**”), the relevant Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the winding-up of the relevant Issuer and/or the Guarantor and/or prove in the winding-up of the relevant Issuer and/or the Guarantor and/or claim in the liquidation of the relevant Issuer and/or the Guarantor for such payment.

**(c) Enforcement**

Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may without further notice to the relevant Issuer or the Guarantor institute such proceedings against the relevant Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the relevant Issuer or the Guarantor under the Perpetual Securities, the Guarantee or the Trust Deed, as the case may be, (other than any payment obligation of the relevant Issuer or the Guarantor under or arising from the Perpetual Securities or the Guarantee, including, without limitation, payment of any principal or premium or satisfaction of any distributions (including any damages awarded for breach of any obligations)) and in no event shall the relevant Issuer or the Guarantor, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

**(d) Entitlement of Trustee**

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the relevant Issuer and/or the Guarantor to enforce the terms of the Trust Deed, the Guarantee or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 30 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded by the Perpetual Securityholders to its satisfaction.

**(e) Right of Perpetual Securityholders or Couponholder**

No Perpetual Securityholder or Couponholder shall be entitled to proceed directly against the relevant Issuer or the Guarantor or to institute proceedings for the winding-up or claim in the liquidation of the relevant Issuer and/or the Guarantor or to prove in such winding-up unless the Trustee, having become so bound to proceed or being able to prove in such winding-up or claim in such liquidation, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Perpetual Securityholder or Couponholder shall have only such rights against the relevant Issuer and/or the Guarantor as those which the Trustee is entitled to exercise as set out in this Condition 9.

**(f) Extent of Perpetual Securityholders’ remedy:** No remedy against the relevant Issuer or the Guarantor, other than as referred to in this Condition 9, shall be available to the Trustee or the Perpetual Securityholders or Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed, the Perpetual Securities or the Guarantee or in respect of any breach by the relevant Issuer or the Guarantor of any of its other obligations under or in respect of the Trust Deed, the Perpetual Securities or the Guarantee (as applicable).

**10. Meeting of Perpetual Securityholders and Modifications**

The Trust Deed contains provisions for convening meetings of Perpetual Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Perpetual Securities of such Series (including these Conditions insofar as the same may apply to such Perpetual Securities) or any of the provisions of the Trust Deed.

The Trustee, the relevant Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Perpetual Securityholders holding not less than 15 per cent. of the principal amount of the Perpetual Securities of any Series for the time being outstanding and after being indemnified and/or secured to its satisfaction against all costs and expenses shall, convene

a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (c) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (d) to vary any method of, or basis for, calculating the Redemption Amount, (e) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution, or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Perpetual Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or the Depository and/or any other clearing system in which the Perpetual Securities may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Perpetual Securityholders. Any such modification, authorisation or waiver shall be binding on the Perpetual Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Perpetual Securityholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Perpetual Securityholders as a class and shall not have regard to the consequences of such exercise for individual Perpetual Securityholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

#### **11. Replacement of Perpetual Securities, Certificates, Coupons and Talons**

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent (in the case of Bearer Perpetual Securities, Coupons or Talons) and of the Registrar (in the case of Certificates), or at the specified office of such other Paying Agent or, as the case may be, Transfer Agent, as may from time to time be designated by the relevant Issuer for the purpose and notice of whose designation is given to Perpetual Securityholders in accordance with Condition 14, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment, there will be paid to the relevant Issuer on demand the amount payable by the relevant Issuer in respect of such Perpetual Security, Certificate, Coupon or Talon) and otherwise as the relevant Issuer may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

#### **12. Further Issues**

The relevant Issuer may from time to time without the consent of the Perpetual Securityholders or Couponholders create and issue further perpetual securities having the same terms and conditions as the Perpetual Securities of any Series and so that the same shall be consolidated and form a single Series with such Perpetual Securities, and references in these Conditions to “**Perpetual Securities**” shall be construed accordingly.

### **13. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with Issuers or the Guarantor or any of their respective subsidiaries without accounting to the Perpetual Securityholders or Couponholders for any profit resulting from such transactions.

The Trust Deed also provides that each Perpetual Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of each of the Issuers and the Guarantor, and the Trustee shall not at any time have any responsibility for the same and each Perpetual Securityholder shall not rely on the Trustee in respect thereof.

### **14. Notices**

Notices to the holders of Bearer Perpetual Securities will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Perpetual Securities can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. Notices to the holders of Registered Perpetual Securities shall be valid if mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Perpetual Securities in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held in its entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Perpetual Securityholders, except that if the Perpetual Securities are listed on the Singapore Exchange Securities Trading Limited and the rules of such exchange so require, notice will in any event be published in accordance with the first paragraph in this Condition 14. Any such notice shall be deemed to have been given to the Perpetual Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the relevant Issuer) shall be in writing and given by lodging the same, together with the relative Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates). Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar, and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Perpetual Securityholders are known to the relevant Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given seven days following the date of despatch to the Perpetual Securityholders.

### **15. Governing Law**

The Perpetual Securities, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of Singapore.



**16. Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

**Issuing and Paying Agent, Agent Bank, Registrar and Transfer Agent**

DBS Bank Ltd.  
10 Toh Guan Road  
#04-11 (Level 4B)  
DBS Asia Gateway  
Singapore 608838

## INVESTMENT CONSIDERATIONS

*Prior to making an investment or divestment decision, prospective investors or existing holders of the Securities should carefully consider all the information set forth in this Information Memorandum including the risk factors set out below. The risk factors set out below do not purport to be complete or comprehensive of all the risks that may be involved in the businesses of the Issuers, the Guarantor or the Group, or any decision to purchase, own or dispose of the Securities. Additional risks which the Issuers or the Guarantor are currently unaware of may also impair the businesses, financial condition, performance or prospects of the Issuers, the Guarantor or the Group. If any of the following investment considerations develops into actual events, the business, results of operations or financial condition of the Issuers, the Guarantor or the Group could be materially and adversely affected. In such cases, the ability of the Issuers and the Guarantor to comply with its obligations under the Trust Deed and the Securities may be adversely affected.*

### **(a) Limitations of this Information Memorandum**

This Information Memorandum does not purport to nor does it contain all information that a prospective investor or existing holder in the Securities may require in investigating the Issuers, prior to making an investment or divestment decision in relation to the Securities issued under the Programme. This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Securities only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Securities is suitable is a prospective investor's sole responsibility, even if the investor has received information to assist it in making such determination.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (nor any part thereof) is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuers, the Guarantor, any of the Dealers or either of the Arrangers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Securities. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuers, the Guarantor, their respective subsidiaries or associated companies, any of the Dealers or either of the Arrangers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Securities should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers, the Guarantor, their respective subsidiaries and associated companies, the terms and conditions of the Securities and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Securities.

### **(b) The forward-looking information in this Information Memorandum may prove inaccurate**

This Information Memorandum contains forward-looking statements. These forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies, many of which are outside of the Issuers' or the Guarantor's control.

### **Investment Considerations relating to the Programme and the Securities Generally**

#### **(c) Limited liquidity of the Securities issued under the Programme**

There can be no assurance regarding the future development of the market for the Securities issued under the Programme, the ability of such Securityholders, or the price at which such Securityholders may be able, to sell their Securities.

Although the issue of additional Securities may increase the liquidity of the Securities, there can be no assurance that the price of such Securities will not be adversely affected by the issue in the market of such additional Securities.

**(d) No assurance of secondary market for Securities issued under the Programme**

There can be no assurance that there will be a secondary market for the Securities, or that there will be liquidity for the Securityholders during the life of the Securities. Any secondary market activities may not be continuous or regular and the value of the Securities may fluctuate for various reasons.

**(e) Fluctuation of market value of Securities issued under the Programme**

Trading prices of the Securities are influenced by numerous factors, including the operating results and/or financial condition of the Issuers, the Guarantor, their respective subsidiaries and/or its associated companies (if any), political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuers, the Guarantor, their respective subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuers, the Guarantor, their respective subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the operating results and/or the financial condition of the Issuers, the Guarantor, their respective subsidiaries and associated companies (if any).

**(f) Interest rate risk**

Securityholders may suffer unforeseen losses due to fluctuation in interest rates. Generally, a rise in interest rates may cause a fall in bond prices, resulting in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, bond prices may rise. The Securityholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

**(g) Inflation risk**

Securityholders may suffer erosion on the return of their investments due to inflation. Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the actual returns.

**(h) Currency risk associated with Securities denominated in foreign currencies**

As the Securities can be denominated in currencies other than Singapore dollars, the Issuers may be affected by fluctuations between the Singapore dollar and such foreign currencies in meeting the payment obligations under Securities denominated in foreign currencies. There can be no assurance that the Issuers will be able to hedge the currency risks associated with Securities denominated in foreign currencies.

**(i) Securities may be issued under the Programme at a substantial discount or premium**

The market value of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

**(j) The Securities and the Guarantee are not secured**

The Securities and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuers and shall at all times rank *pari passu* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the respective Issuers. The payment obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

Accordingly, on a winding-up or insolvency of an Issuer or the Guarantor at any time prior to maturity of any of the Securities, the Securityholders will not have recourse to any specific asset of the respective Issuers, the Guarantor or their respective subsidiaries and/or associated companies (if any) as security for outstanding payment or other obligations under the Securities and/or Coupons owed to the Securityholders and there can be no assurance that there would be sufficient value in the assets of the respective Issuers or the Guarantor, as the case may be, after meeting all claims ranking ahead of the Securities, to discharge all outstanding payment and other obligations under the Securities and/or Coupons or Guarantee, as the case may be, owed to the Securityholders.

**(k) Modification**

The Conditions contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meetings and Securityholders who voted in a manner contrary to the majority.

**(l) The Trustee may request the Securityholders to provide an indemnity and/or security and/or prefunding to its satisfaction before taking action on behalf of Securityholders**

In certain circumstances (including giving of notice to the Issuers pursuant to Condition 10 of the Notes and instituting proceedings against the Issuers pursuant to Condition 9 of the Perpetual Securities), the Trustee may (at its sole discretion) request Securityholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes action on behalf of Securityholders. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such action can be taken.

The Trustee may not be able to take action, notwithstanding the provision of an indemnity or security or prefunding to it, if doing so will or may result in a breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations. In such circumstances, to the extent permitted by the agreements and the applicable law, it may be for the Securityholders to take action directly.

**(m) Performance of contractual obligations by the Issuers is dependent on other parties**

The ability of the Issuers to make payments in respect of the Securities may depend upon the due performance by the other parties to the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the Issuing and Paying Agent and/or the Agent Bank of their respective obligations. Whilst the non-performance of any relevant parties will not relieve an Issuer of its obligations to make payments in respect of the Securities, an Issuer may not, in such circumstances, be able to fulfil its obligations to the Securityholders and the Couponholders.

**Investment Considerations relating to the Notes**

**(n) Singapore Taxation**

The Notes to be issued from time to time under the Programme, during the period from the date of this Information Memorandum to 31 December 2018 are, pursuant to the Income Tax Act and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by MAS on 28 June 2013, intended to be "qualifying debt securities" for the purposes of the Income Tax Act, subject to the fulfillment of certain conditions more particularly described in the section "Singapore Taxation".

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or MAS circulars be amended or revoked at any time.

**(o) The Securities may not be a suitable investment for all investors**

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including Securities with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

**Investment Considerations relating to the Perpetual Securities**

**(p) Perpetual Securities may be issued for which investors have no right to require redemption**

The Perpetual Securities are perpetual and have no fixed final maturity date. Perpetual Securityholders have no right to require the Relevant Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Perpetual Securityholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of Perpetual Securities should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

**(q) If specified in the relevant Pricing Supplement, Perpetual Securityholders may not receive distribution payments if the Relevant Issuer elects not to pay all or a part of a distribution under the terms and conditions of the Perpetual Securities**

If Optional Payment is specified in the relevant Pricing Supplement, the Relevant Issuer may, at its sole discretion, elect not to pay any scheduled distribution on the Perpetual Securities in whole or in part for any period of time. The Relevant Issuer is subject to certain restrictions in relation to the declaration or payment of distributions on its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations and the redemption and repurchase of its Junior Obligations and (except on a *pro rata* basis) its Parity Obligations in the event that it does not pay a distribution in whole or in part. The Relevant Issuer is not subject to any limit as to the number of times or the amount with respect to which the Relevant Issuer can elect not to pay distributions under the Perpetual Securities. While the Relevant Issuer may, at its sole discretion, and at any time, elect to pay an Optional Distribution, being an optional amount equal to the amount of distribution which is unpaid in whole or in part, there is no assurance that the Relevant Issuer will do so, and distributions which are not paid in whole or in part may remain unpaid for an indefinite period of time. Any non-payment of a distribution in whole or in part shall not constitute a default for any purpose. Any election by the Relevant Issuer not to pay a distribution, whether in whole or in part, will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the potential non-cumulative distribution feature of the Perpetual Securities and the Relevant Issuer's ability to elect not to pay a distribution in whole or in part, the market price of the Perpetual Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such election not to pay and may be more sensitive generally to adverse changes in the Group's financial condition.

**(r) If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the Relevant Issuer's option on the date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events**

The Perpetual Securities are perpetual securities and have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Relevant Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Arrears of Distribution, Additional Distribution Amounts and distribution accrued to the date fixed for redemption. In addition, if specified on the relevant Pricing Supplement, the Relevant Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or any time after such Distribution Payment Date, upon the occurrence of certain other events. See the section "Terms and Conditions of the Perpetual Securities — Redemption and Purchase" herein.

The date on which the Relevant Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Perpetual Securityholders. This may be disadvantageous to Perpetual Securityholders in light of market conditions or the individual circumstances of the holder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

**(s) There are limited remedies for default under the Perpetual Securities and the Guarantee**

Any scheduled distribution will not be due if the Relevant Issuer elects not to pay all or a part of that distribution pursuant to the terms and conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute winding-up proceedings is limited to circumstances where payment under the Perpetual Securities has become due and the Relevant Issuer (failing which, the Guarantor) fails to make the payment when due. The only remedy against the Relevant Issuer and/or the Guarantor available to any Perpetual Securityholder for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities and/or the Guarantee will be proving in such winding-up and/or claiming in the liquidation of the Relevant Issuer and/or the Guarantor in respect of any payment obligations of the Relevant Issuer or, as the case may be, the Guarantor arising from the Perpetual Securities and/or the Guarantee.

**(t) The Relevant Issuer may raise or redeem other capital which affects the price of the Perpetual Securities**

The Relevant Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. Similarly, subject to compliance with the terms and conditions of the Perpetual Securities, the Relevant Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Perpetual Securities. The issue of any such securities or the incurrance of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by holders of Perpetual Securities on a winding-up of the Relevant Issuer, and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrance of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of holders of Perpetual Securities to sell their Perpetual Securities.

**(u) The Subordinated Perpetual Securities and the Subordinated Guarantee are subordinated obligations**

The obligations of the Relevant Issuer under the Subordinated Perpetual Securities, and the Guarantor under the Subordinated Guarantee, will constitute unsecured and subordinated obligations of the Relevant Issuer and Guarantor respectively. In the event of the winding-up of the Relevant Issuer or the Guarantor, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities or the Subordinated Guarantee will rank senior to the holders of all Junior Obligations and *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of

doubt, the holders of Senior Perpetual Securities and/or Notes. In the event of a shortfall of funds or a winding-up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts or accrued distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the Issuers and the Guarantor without the consent of the Securityholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the Relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a winding-up of the Relevant Issuer or the Guarantor and/or may increase the likelihood of a non-payment under the Subordinated Perpetual Securities and/or the Subordinated Guarantee.

**(v) Tax treatment of the Perpetual Securities is unclear**

It is not clear whether any particular Tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) will be regarded as debt securities by the IRAS for the purposes of the Income Tax Act and whether the tax concessions available for qualifying debt securities under the qualifying debt securities scheme (as set out in “Singapore Taxation”) would apply to the Relevant Tranche of the Perpetual Securities.

If the Relevant Tranche of the Perpetual Securities is not regarded as debt securities for the purposes of the Income Tax Act and holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of the Relevant Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Relevant Tranche of the Perpetual Securities.

**Investment Considerations relating to the Group**

The Group comprises shipyards and supporting companies that are involved in marine and offshore engineering and construction. The Group has a strong home base in Singapore as well as overseas operations. Whilst the Group remains focused on its core competencies in the various countries referred to in this Information Memorandum, it continuously seeks to participate across a broad spectrum of the offshore oil and gas value chain. In view of this, decisions made to enter into new markets and/or business segments will alter the Group’s risk profile correspondingly. There is a possibility that such future undertakings may adversely impact the financial performance or prospects of the Group.

**(w) Strategic risks**

Strategic risk considerations are factored into the Group’s strategies and plans to grow its business and operations in Singapore and internationally. They typically encompass the business environment, customers, markets, industries, competition, technology and new business initiatives (in terms of products and services of the oil and gas value chain). Ineffective responses to strategic risks may jeopardise the Group’s long term growth path.

Currently, there is uncertainty in the oil & gas industry. This is brought on by a combination of reduced offshore exploration drilling and delays in oil and gas field developments by oil companies. This has led to reduced newbuild activities and softening of rig day rates which have affected the Group’s customers. The supply of new rigs without charters in the coming years further dampens the orderbook outlook.

Competition is keen, coming mainly from Korea and China. The Group has made inroads into the drillship space which is a traditional stronghold of the Koreans. However, the Chinese have gained sizeable market share in the jackup segment, securing mostly standard and non-customised rigs.

**(x) External environment risks**

The world today is one where the lingering effects of the global financial crisis continue to be felt in most, if not all, industries. Volatile and uncertain economic conditions have become the new 'normal' for businesses operating in the global market place. This is no exception for the Group which has established an international network of shipyards. Other external environment risks include commodity market volatilities, global trade and economy; stability of the global financial and banking systems; foreign exchange fluctuations; political risks; regulatory landscape; natural disasters and pandemics.

External environment risks have far-reaching impacts which affect the Group and its customers, suppliers, vendors and other business partners. Whilst there are plans and measures in place to mitigate anticipated adverse consequences, full protection against risks of such nature is not practicably achievable.

**(y) Project management risks**

The Group's core business revolves around the projects in its order book. Risks can arise throughout the entire project management process, from tendering to contract negotiation and, upon award, the execution of engineering, procurement, construction, commissioning and delivery. Projects based on new designs may entail higher risks. Third party risks in the form of non or poor performance of contractors, suppliers or vendors could affect the Group's ability to execute its projects as planned, thereby causing delays. This could happen when substitute manufacturers are limited, especially for specialised equipment. While reasonable measures have been taken to address these risks, such risks cannot be completely eliminated and, should they materialise, the Group's performance may be adversely affected.

**(z) Financial risks**

The Group's international presence and worldwide clientele inevitably expose it to the various financial risks arising from developments within the global financial market. These include:

**(i) Credit risk**

Credit risks arise mainly from sales to customers. They are mitigated through a stringent credit evaluation process and regular monitoring thereafter. Credit risks are managed on an aggregate basis by including all existing relationships with a particular customer or related entities of the same corporate organisation. Poor market conditions may adversely affect some customers, causing them to be unable to fulfil their contractual obligations and ultimately result in contract termination. In such an event, there is no assurance that the amount of damages awarded upon successful litigation can fully compensate the Group for the consequential losses. Contract renegotiation may result in lower margins for the affected contracts.

Another form of credit risk originates from the banks and financial institutions which the Group places cash and fixed deposits with. While the Group limits its credit exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, this may minimise but will not remove credit risks.

**(ii) Foreign currency risk**

The Group incurs foreign currency risk on sales and purchases that are denominated in currencies other than the Singapore dollar, primarily the United States dollar and the Euro. The currencies of its revenues may not match the currencies of its operating costs. As a consequence, there is a risk that changes in exchange rates could have a significant negative effect on the reported profits of the Group.

Furthermore, changes in exchange rates can weaken the competitiveness of the Group's shipyards vis-à-vis their competitors in other countries. The prices and/or costs of the Group's competitors may become lower due to changes in exchange rates working in their favour. In particular, due to the greater international scope of the Group's operations compared to some of its competitors, the Issuers may be more exposed than other companies.



In addition, as the operations and assets of the Group are located in various countries, exchange rate fluctuations could have a significant negative effect on its financial statements. The Issuers cannot guarantee that exchange rate fluctuations will not have a material negative effect on the financial condition or results of operations of the Group, notwithstanding the mitigating measures put in place.

(iii) *Liquidity risks*

As at the Latest Practicable Date, the Group had approximately S\$972 million equivalent of total indebtedness, including approximately S\$263 million equivalent which is repayable in one year or less. Overall, the Group is in a net cash position.

While the Group has unutilised facilities and funds available for use, the availability of such facilities and funds depends on factors that are beyond its control (including general global economic conditions, availability of liquidity in the market and the prevailing government policies, laws and regulations), which may affect the terms on which banks and financial institutions are willing to extend credit to their customers. Further, the Group requires additional financing to fund working capital requirements and capital expenditure necessary to support the future growth of its business.

Liquidity risks may affect the Group's net operating cash flow and level of cash and cash equivalents, thereby causing it to be unable to meet its financial obligations. Working capital requirements may be adversely affected due to the effects of fluctuations in cash flow.

**(aa) Human resource risks**

The achievement of the Group's objectives and strategies depends significantly on its employees. With the commencement of operations at the Sembmarine Integrated Yard @ Tuas in August 2013 and initial operations at the Brazil shipyard in the second half of 2014, there will be demand for additional human capital to run these operations. This is alleviated through the use of highly automated and optimised facilities in these yards. The Group constantly seeks to attract new talent as well as train and retain key employees. There are comprehensive HR policies for recruitment, compensation and development in place. However, these are mitigating measures, and they neither guarantee that the right talent will join the Group nor stem the outflow of key personnel.

**(bb) Health, safety, security and environment risks**

Recognising that the marine and offshore engineering industry has its inherent risks and hazards, the Group places the highest priority on its workplace safety, health and security systems which are constantly enhanced to comply with international and national standards. Upholding safety and health at the workplace is the responsibility of all levels of management and staff. Despite all efforts to minimise incidents, total elimination is not possible and mishaps do occur. At times, such incidents may result in human and financial losses.

**(cc) Emerging market countries risks**

The Group has worldwide operations spanning the key hubs of Brazil, India and the United Kingdom, with strategic presence in Indonesia and China. The risk profile of the Group will therefore encompass the risks involved in each of these countries. Such risks include governance (institutions, laws, policies, corruption etc); infrastructure (banking, utilities, transport, industrial, logistics, communication etc); political, economic and social stability; and labour.

The businesses, performance and prospects of the Group may be adversely affected by any of such risks.

Changes in laws, such as the imposition of restrictions on foreign ownership or repatriation of earnings, could also have a negative effect on the ability of the Group to continue operations in these countries or to earn a profit from its operations in these countries.

**(dd) Non-compliance with government policies, laws and regulations**

The Group is subject to a wide variety of government policies, laws and regulations in multiple jurisdictions. Compliance can be at various levels: international, national, provincial and local. More often than not, compliance is a prerequisite for the Group to operate or carry out any of its business activities. The Issuers and the Guarantor cannot guarantee that the Group will not incur significant compliance costs and liabilities which may include liabilities incurred by businesses before acquisition of such businesses by any member of the Group. Also, countries which the Group operates in may in the future introduce more stringent laws, regulations and policies which may impact the Group adversely.

There is no assurance that the Group can adequately comply with all applicable government policies, laws and regulations, given some of their complexities and amendments made to them from time to time. There may be instances where the Group fails to respond to such changes appropriately or in a timely fashion. This may result in legal repercussions and penalties for the Group.

**(ee) Reputation risk**

The Group places paramount importance on its reputation and takes all necessary measures to maintain its standing. However, unforeseeable or uncontrollable events may still occur that may result in reputational damage.

# SEMBCORP MARINE LTD

## 1. HISTORY AND BACKGROUND

SCM, formerly known as “Jurong Shipyard Limited”, was incorporated as a public limited company on 25 April 1963. A joint venture company between the Singapore government and Japan’s Ishikawajima Harima Heavy Industries, it was listed on the SGX-ST (formerly known as the “Singapore Stock Exchange”) on 18 September 1987. In 1997, Jurong Shipyard Limited acquired Sembawang Shipyard, Karimun Shiprepair & Engineering (which holds an interest in P.T. Karimun Sembawang Shipyard) and Sembawang Shipyard (S) (which holds an interest in Bohai Sembawang Shipyard). Following this, Jurong Shipyard Limited changed its name to “Sembcorp Marine Ltd” on 14 January 2000. SCM had a market capitalisation of about S\$8.652 billion as at the Latest Practicable Date.

SCM is the marine engineering arm of SCI and a leading global marine and offshore engineering group with 50 years of proven track record. Its comprehensive portfolio encompasses the full spectrum of integrated solutions from rig repair, rig building, shipbuilding, ship conversion and ship repair to offshore engineering and construction to a world-wide clientele. It is one of the largest marine and offshore engineering leaders in Asia, and is headquartered in Singapore with worldwide operations spanning the key hubs of Brazil, India and the United Kingdom with strategic presence in Indonesia and China, which together offer one of the largest marine and offshore engineering facilities in the world. By leveraging on complementary facilities and capabilities within the Group, the Group’s shipyards work in synergy to provide customers with a full range of integrated customised solutions, ranging from conceptualisation and design, engineering, procurement and construction to commissioning and delivery.

SCM’s Singapore operations consist of JSPL, SSPL, Jurong SML, PPL Shipyard, SMOE and Sembmarine Integrated Yard @ Tuas, Singapore’s largest integrated yard, that commenced operations in August 2013.

SCM is internationally recognised for its rig building and offshore conversion expertise. Over the years, it has established a proven track record in the design and building of a diverse range of mobile rigs that are capable of operating in shallow-waters, deep-waters and harsh environments. It is also a global leader in the EPC conversion of tankers to FPSOs, FSOs and FPUUs.

To differentiate itself, SCM offers a complete suite of turnkey services to the offshore oil and gas industry. The Group’s specialised capabilities range from the engineering, procurement and construction of offshore production platforms and floating production systems, to the fabrication, integration, pre-commissioning, as well as offshore hook-up and commissioning of topside process modules and production modules for fixed platforms, accommodation platforms and mega FPSOs. Additionally, SCM is a niche player in the design and newbuilding of a wide variety of shipping vessels.

SCM is also recognised globally as an industry leader in the repair of tankers, bulk carriers and container/cargo vessels. It is a specialist in the niche markets of LNG carriers, passenger ship conversion/upgrading, rig repairs and upgrading, damage repairs, chemical tankers and support vessels.

## 2. CORPORATE VISION

SCM aims to be the world leader in ship repair, shipbuilding, ship conversion, rig building and offshore engineering and construction, providing innovative solutions that exceed its customers’ expectations. While anchoring itself for sustainable growth, the Group continues to commit itself to fulfilling the changing needs and aspirations of its employees and stakeholders.

### 3. SHAREHOLDERS

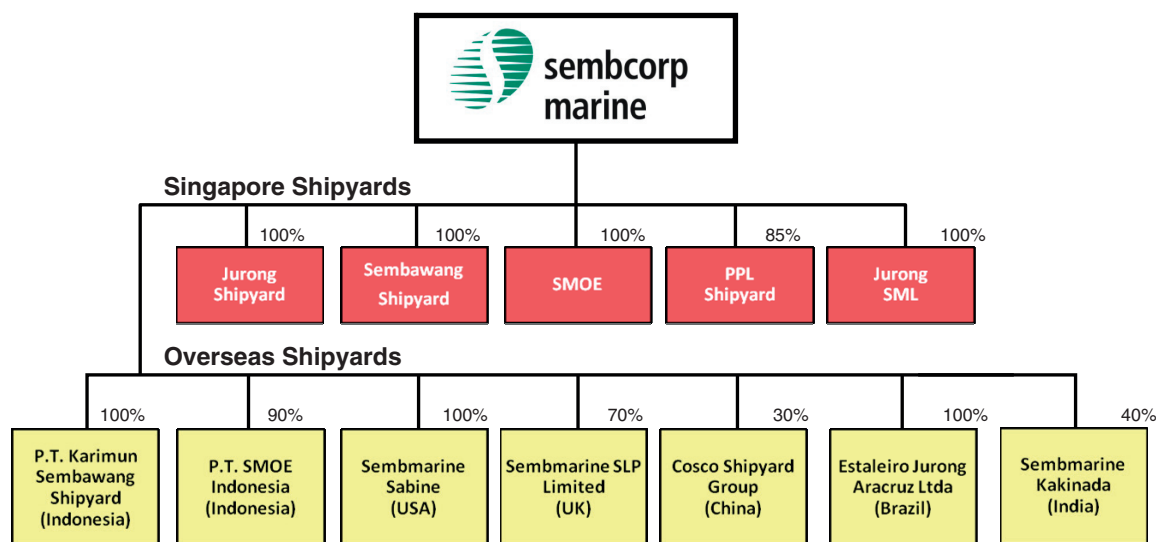
SCM is 60.57% majority-owned by its parent company, SCI, as at the Latest Practicable Date (excluding the Shares held in treasury) and the number of Shares held by the directors, the chief executive officer and their immediate family amounts to approximately 10,745,154. The remaining Shares of approximately 38.76% are held by the public comprising institutional and retail shareholders.

SCI is a leading utilities and marine group providing centralised utilities, energy and water to industrial and other customers in Singapore, the United Kingdom, Asia and the Middle East. Through SCM, it is a global leader in marine and offshore engineering. SCI is also a provider of environmental and industrial park management services in the region.

SCI is listed on the SGX-ST with a market capitalisation of about S\$9.8 billion as at the Latest Practicable Date. As at 31 July 2014, Temasek Holdings (Private) Limited was the largest shareholder of SCI, with a shareholding interest of 49.316%.

### 4. CORPORATE STRUCTURE

The corporate structure of the Group is as follows:



### 5. FINANCIAL SUMMARY

#### Summary of Profit and Loss

SCM achieved a year of strong performance in 2013 in terms of revenue. The Group's turnover grew by 25% from S\$4.4 billion in 2012 to S\$5.5 billion in 2013 and the growth was mainly attributable to the higher revenue recognition for rig building projects.

Net profit in 2013 was S\$556 million as compared to S\$538 million in 2012. The 3% increase was mainly attributable to contribution from higher turnover for rig building projects.

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Turnover	5,525,882	25	4,430,123	12	3,960,230
Operating Profit	644,257	16	554,218	(25)	737,129
EBITDA	744,864	15	648,206	(21)	823,407
Net Profit	555,747	3	538,453	(28)	751,903

## Summary of Balance Sheet

The financial position of the Group was strong in 2013. Total assets increased by 25% from S\$5.8 billion in 2012 to S\$7.3 billion in 2013, and total capital employed as at 31 December 2013 was S\$2.8 billion, comprising shareholders' funds of S\$2.7 billion and non-controlling interests of S\$132 million. As at 31 December 2013, the Group had cash and cash equivalents of S\$1.7 billion. The Group was in a net cash position and current ratio was at 1.20 times.

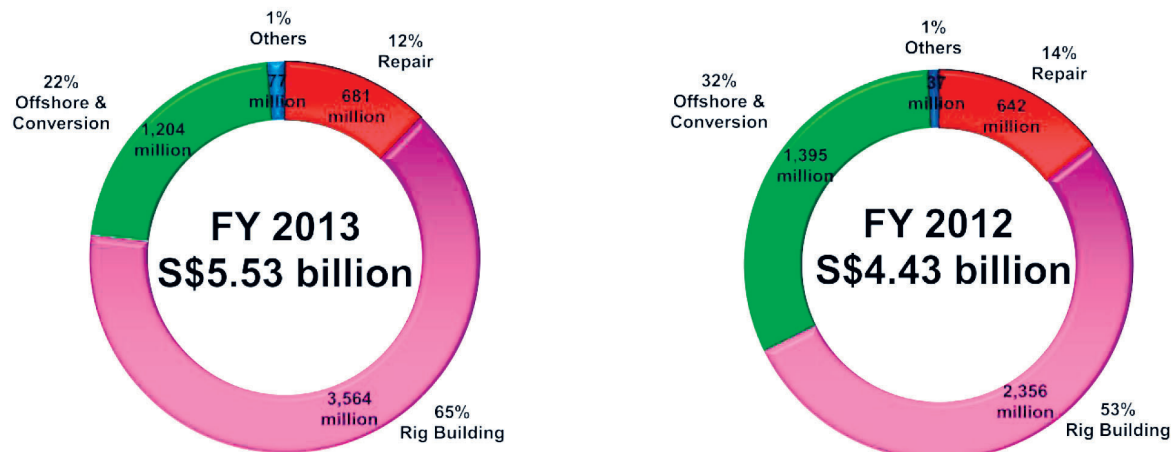
S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Total Assets	7,250,100	25	5,786,457	15	5,051,646
Total Liabilities	4,440,588	37	3,239,432	27	2,545,566
Shareholders' Funds	2,677,036	10	2,438,524	1	2,414,257
Cash and Cash Equivalents	1,694,901	20	1,408,907	(29)	1,989,612
Borrowings	766,111	130	332,981	848	35,111
Net Borrowings <sup>1</sup>	Net Cash		Net Cash		Net Cash
Net Gearing Ratio <sup>2</sup>	Net Cash		Net Cash		Net Cash
Current Ratio	1.20x		1.34x		1.42x

1 "Net Borrowings" means borrowings (including hire purchase, if any) less cash and cash equivalents.

2 "Net Gearing Ratio" means Net Borrowings divided by Shareholders' Funds less Intangibles.

## 6. KEY BUSINESS OPERATIONS

The key business operations of SCM are in the three main sectors of rig building, ship conversion and offshore and ship repair. The Group's revenue by sector in FY 2013 and FY 2012 are as follows:



Amid the volatile global environment and competitive market conditions, all three core businesses of the Group performed satisfactorily in 2013. Group turnover increased 25% from S\$4.4 billion in 2012 to S\$5.5 billion in 2013 on the back of increased contributions from the rig building sector. The rig building sector contributed S\$3.6 billion followed by offshore and conversion sector at S\$1.2 billion, the repair sector at S\$681 million and others at S\$77 million.

### Rig Building

The rig building sector accounted for the largest share of revenue at S\$3.6 billion, contributing to 65% of turnover in 2013. A total of eight rigs were delivered on or ahead of schedule in 2013 with 17 rigs in work-in-progress stages and 10 rigs in planning and engineering stages.

The table below shows the revenue, the number of rigs delivered and the number of rigs at the various stages of progression for FY 2013 and FY 2012:

<b>Description</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>% Change</b>
Revenue (S\$ million)	3,564	2,356	51
No. of rigs* (delivered)	8	4	100
No. of rigs (work-in-progress)	17	13	31
No. of rigs in planning & engineering stages	10	13	(23)

\* Jack-up and semi-submersible rigs

### **Offshore and Conversion**

The offshore and conversion sector, the second largest sector, accounted for S\$1.2 billion or 22% of the Group's turnover in 2013. A total of four projects, comprising one FPSO, one accommodation and repair vessel and two platforms were delivered in 2013, with six projects in work-in-progress stages and three units still in planning and engineering stages.

The table below shows the revenue, the number of vessels delivered and the number of projects at various stages of progression for FY 2013 and FY 2012:

<b>Description</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>% Change</b>
Revenue (S\$ million)	1,204	1,395	(14)
No. of vessels (completed)	4	4	-
No. of vessels (work in progress)	6	7	(14)
No. of vessels (planning & engineering stages)	3	4	(25)

### **Repair**

The repair sector, the third largest sector with a turnover of S\$681 million, accounted for 12% of the Group's turnover in 2013. A total of 373 vessels were repaired with an average value per vessel of S\$1.83 million.

The table below shows the breakdown of revenue for the repair sector for FY 2013 and FY 2012:

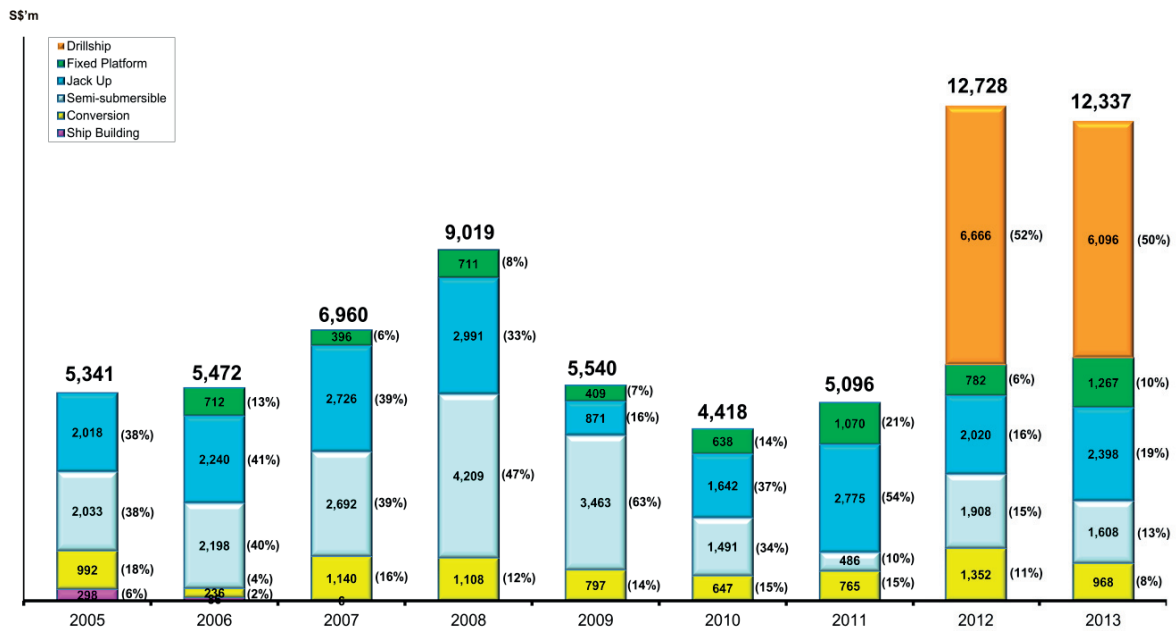
<b>Description</b>	<b>FY 2013</b>	<b>FY 2012</b>	<b>% Change</b>
Revenue (S\$ million)	681	642	6
No. of vessels	373	351	6
Average value per vessel (S\$ million)	1.83	1.83	-

### **Others**

Other businesses of SCM include ship chartering, bulk purchases and copper slags recycling activities which accounted for 1% of total revenue.

## 7. ORDER BOOK

### Net Order Book by Year:



As at 31 December 2013, the Group had a strong net order book of S\$12.3 billion with completion and deliveries into 2019. This includes S\$4.2 billion in contract orders secured in 2013, excluding repair and upgrade contracts. The Group remains focused on operational efficiency, productivity improvements, safety management and the timely deliveries of orders to its customers.

## 8. MAJOR CUSTOMERS

Cultivating long-term alliances with valued customers has always been an important strategic focus as it ensures a steady flow of recurring work and a stable base order book for the Group.

The Group's shipyards have won the confidence of globally renowned companies with their track records and strong technical capabilities. Companies that have committed to strategic alliances, favoured customer contracts and long-term partnerships with the Group's shipyards include prominent shipowners and oil and gas majors.

Major customers include the following:

1. Atwood Oceanics Inc.;
2. Bechtel Overseas Corporation;
3. BG LNG Services (USA);
4. BHP Billiton (Australia);
5. BP Shipping (UK);
6. BW Shipping Group;
7. Carnival Corporation;
8. Chevron Shipping LLC;
9. ConocoPhillips Group;
10. Det Norske Oljeselskap ASA;
11. Diamond Offshore Drilling Inc.;

12. Eitzen Chemical;
13. Gaslog LNG Services Limited Greece;
14. Helix Energy Solutions Group Inc;
15. Hercules Offshore Inc.;
16. Integradora de Servicios Petroleros Oro Negro, S.A.P.I. de C.V. (Oro Negro);
17. Japan Drilling Corporation;
18. JO Tankers;
19. Maersk Group;
20. Modec Group;
21. MOL Group;
22. Noble Drilling Holding LLC;
23. NOL Shipping;
24. North Atlantic Drilling Limited;
25. North West Shelf Shipping Service Company (Australia);
26. Perisai (L) Inc.;
27. Petrobras Netherlands B.V.;
28. Premier Oil Natuna Sea B.V.;
29. Prosafe SE;
30. PSA Marine;
31. PT TEP International Limited;
32. Republic of Singapore Navy;
33. Royal Caribbean Cruise Limited;
34. Saipem S.p.A.;
35. Seadrill Limited;
36. Sete Brazil Participacoes S.A.;
37. Shell International Trading and Shipping Co Limited (UK);
38. Singapore Police Coast Guard;
39. Star Cruises Malaysia;
40. Tanker Pacific Management (S) Pte Ltd;
41. Teekay Group;
42. Total Group;
43. Transocean Inc.; and
44. V Ships Group.



## 9. RESEARCH AND INNOVATION

### Investing in Research and Innovation

To maintain its leading edge, SCM invests considerable resources in the research and development of marine and offshore technology to stay at the forefront of industry developments and advancements. Gearing up for future challenges in the offshore sector, research and development efforts continued to be channeled by Sembcorp Marine Technology Pte. Ltd. (“SMT”) towards the development of high-performance proprietary designs and critical components for offshore rigs and ships. Successful proprietary designs developed by the Group include the Pacific Class 400 jack-up design, an extension of the Pacific Class 375 design, that was launched in 2010. Designed to operate in water depths of up to 400 ft and drill to depths of 35,000 ft with improved drilling efficiencies and operations support, the rig design represents the latest generation of high-specification jack-up rigs equipped with more advanced features and capabilities. Since its launch, a total of 17 such units have been ordered by customers, with nine units successfully delivered.

Other successful proprietary designs developed by the Group are the Ultra Deepwater Espadon Jurong Drillship designs where the ABS-DLA (ABS-Dynamic Loading Approach) notation for global structural strength was verified by SMT. Designed to operate in water depths of up to 10,000 ft and capable of drilling to depths of 40,000 ft, the Ultra Deepwater Espadon Jurong Drillships are also equipped with large moon pools for enhanced drilling operations. Orders of a total of nine units have been secured up to the Latest Practicable Date.

Innovative environmental technology for the marine industry is another focus point. To address the call for sustainable solutions for the world’s shipping industry in the area of the control of harmful invasive aquatic organisms and gas emissions, SSPL and Ecospec Global Technology are jointly developing innovative and cost-effective environmental technologies for water ballast treatment, and gas emissions abatement that are geared to meet future maritime regulatory requirements. Among the new-generation technologies being developed are two world’s firsts – the Semb-Eco L-UV Ballast Water Treatment System and CSNOx, the revolutionary Gas Emission Abatement System. The former is the first to use Light Emitting Diode-Ultraviolet (LED-UV) and bio-fouling control technologies to treat ballast water, while the latter, for ships trading to the Emission Control Areas, is the first commercially viable system that reduces sulphur dioxide, nitrogen oxides and carbon dioxide in one single process.

Reflecting the Group’s support for education and research, the Group has committed S\$10 million over a period of five years to an endowment fund that supports the set up of the Sembcorp Marine Lab @ NTU, a new research facility at Nanyang Technological University (“NTU”). The facility will serve as a nucleus for new discoveries and the development of innovations with a focus on productivity enhancement solutions and innovative environmental technologies for the marine and offshore industry.

### Green Initiatives

In line with the Group’s commitment towards reducing its carbon footprint, one of SMT’s focus areas is in harnessing alternative energy sources at the Sembmarine Integrated Yard @ Tuas. In 2011, SMT collaborated with NTU’s Lab for Clean Energy Research to design an optimised Land-based Energy Management System. The new system was tested and installed successfully at the main substation of the Sembmarine Integrated Yard @ Tuas. The solution comprises two components – the ship shore power consumption and billing system and the power distribution performance monitoring system – which work together to generate optimised power flow, forecast power demand and manage peak demand usage.

The wave energy converter project, a collaboration between Hann-Ocean Technology and SMT, began in 2010. Converting wave energy to electricity, the programme went on trial in 2013 at the new yard and is expected to reap sizeable energy efficiencies. Besides utilising wave energy, efforts were also initiated in the design of a solar harvesting system for the yard.

SMT is also involved with Energy Research Institute @ NTU on clean energy projects such as testing a new type of Vanadium Redox Batteries (VRB) developed by NTU as an alternative power source for forklifts and other cargo handling machinery in the shipyard.

Other innovative projects in various stages of development include the robotic ship blasting and painting system with dust control – a project jointly developed by JSPL, Entraco Offshore, Common Alliance and Ngee Ann Polytechnic's Engineering Marine Offshore Technology Centre of Innovation, with funding support from SPRING Singapore. This system performs grit blasting as well as airless spray painting through a state-of-the-art man-machine interface and a dust-control mechanism to improve air quality.

### **Turning Knowledge into Intellectual Assets**

The transformation of proprietary knowledge and innovations to intellectual assets is an important focus in the Group's strategy of maintaining its competitive advantage. To harness the full value of these intellectual assets, patents were progressively filed for the Group's proprietary production processes and workplace innovations. In 2008, JSPL was successful in its application for patent registration of its breakthrough, award-winning 'Load-out and Mating-in-Dock' technique to accelerate the semi-submersible construction process. This proven technique, which enables the simultaneous construction and subsequent integration of the rig's upper and lower hulls in a drydock environment, was successfully used by JSPL to deliver two units of the fifth-generation ultra-deepwater semisubmersibles – Development Driller I and Development Driller II – in 2005.

Another highly successful patent-pending engineering innovation pioneered by JSPL was the 'Transverse Skidding' semi-submersible construction technique, which complements the 'Load-out and Mating-in-Dock' technique for the fast-track building and sequential assembly of multiple semisubmersible rigs. By leveraging these innovative techniques, JSPL was able to optimise its capacity to build more than two semi-submersible units in a year, as proven by the successful deliveries of two sixth-generation ultra deepwater semi-submersible units, West Sirius and West Taurus, in 2008. Previously, only one semi-submersible could be constructed at any one time.

## **10. RECENT DEVELOPMENTS**

### **Landmark US\$1.08 billion contract to build drillships for leading US driller Transocean**

On 27 February 2014, Sembcorp Marine's subsidiary JSPL announced that it had signed two contracts for US\$540 million each to build two drillships, with options for three additional units with a subsidiary of leading US offshore rig owner and driller Transocean Ltd. Scheduled for delivery in 2Q 2017 and 1Q 2018, the drillships will be built based on the Jurong Espadon III design which represents the next generation of high specification drillships with advanced capabilities for operational efficiency and ultra-deepwater development drilling operations worldwide.

The drillships will be equipped with state-of-the-art drilling facilities for enhanced drilling operations. These include a large moon pool to cater for a larger riser angle and bilge boxes designed for superior motion characteristics. Another key feature is a larger deck space with enclosed riser bay and round mud pits inside the hull, allowing for increased operational efficiency and safety. With Dynamic Positioning Class 3 (DP-3) capabilities, the drillships will be capable of operating at 12,000 ft water depth and drilling to depths of 40,000 ft. Other facilities include accommodation for a crew of 220 personnel.

Transocean currently owns and operates six drilling rigs built by SCM's yards, including three jack-ups and one semi-submersible delivered by PPL Shipyard and two semi-submersibles built by JSPL.

### **Sembmarine Integrated Yard @ Tuas**

On 4 November 2009, SCM unveiled its plans to develop a modern, work-efficient and integrated new yard facility (the "**Sembmarine Integrated Yard @ Tuas**") to position the Group for sustainable growth and expansion of its marine and offshore businesses. Signifying Singapore's first purpose-built integrated new yard facility, the landmark development is poised to further enhance SCM's Singapore hub capabilities, enabling the Group to respond effectively to customers' requirements and future challenges.

Phase I of the Sembmarine Integrated Yard @ Tuas – a 73.3-hectare yard development which comprises four VLCC dry docks totaling 1.55 million deadweight tonnes and quays of more than 3.8 km – commenced operations in August 2013. Demand for the Group's big docks, including the four

VLCC drydocks that began operations at the new yard, remains strong. Designed and equipped with leading edge technology, the Sembmarine Integrated Yard @ Tuas is capable of servicing a wide range of vessels, including VLCCs, new generations of mega containerships, LNG carriers and passenger ships. It is also geared to meet the stringent safety and quality requirements of vessels and to comply with new regulatory and environmental standards.

The Group has also acquired a 34.5-hectare site at Tuas View South Extension located adjacent to and north of the Phase I development for the Phase II new yard, which is expected to be completed in three years.

### **First Overseas Integrated New Yard in Brazil**

Building on two decades of experience in servicing Brazil's offshore oil and gas industry, SCM is further strengthening its strategic operations in the country with the ongoing construction of the Group's first overseas integrated new yard, in the municipal of Aracruz in the state of Espirito Santo, Brazil.

Construction of Estaleiro Jurong Aracruz is ongoing following the groundbreaking in December 2011 after the yard successfully obtained the environmental license, a pre-requisite for construction in Brazil.

Situated on an 82.5-hectare freehold site with a long coastline of 1.6 km, the Brazil yard is well-positioned to serve the country's thriving offshore oil and gas exploration and production sector with its close proximity to the rich oil and gas basin of Espirito Santo, one of Brazil's giant pre-salt reservoirs.

Facilities for Estaleiro Jurong Aracruz include a 1 km berthing quay, ancillary piping facilities and steel fabrication workshops. On completion of construction, the new yard will have capabilities to undertake the construction of drillships, semi-submersible and jack-up rigs, platform and supply vessels, FPSO integration and topside modules fabrication in addition to the traditional services in rig and ship repairs, modification and upgrade works.

The strengthening of SCM's Brazil hub will enable the Group to effectively cater to the needs of the country's offshore industry in developing the recently discovered giant pre-salt oil and gas reservoirs. With the establishment of Estaleiro Jurong Aracruz, the Group is well-placed to partner Brazil in its offshore fleet investment plan, which requires Brazilian local content for its exploration and production platform projects. The Group can also leverage Brazil's strategic location near the oil and gas fields of the Atlantic, Gulf of Mexico and offshore West Africa, to capture emerging opportunities in these sectors.

Arising from its expansion into Brazil, the Group had in 2012 secured US\$6.3 billion in contracts for offshore projects to be deployed to Brazil's offshore giant pre-salt oil and gas fields. These include the milestone orders of seven proprietary design Jurong Espadon newbuild drillships worth a total of US\$5.6 billion by Sete Brasil for charter to Petrobras for the Santos Basin development as well as US\$674 million for modules construction and integration for the FPSOs Petrobras 68 and Petrobras 71 by Tupi B.V. for the Tupi Field.

### **Foothold in UK – Sembmarine SLP Limited**

SMOE acquired SLP Engineering Limited ("**SLP Engineering**") from the Smulders Group in September 2012. Renamed Sembmarine SLP Limited ("**Sembmarine SLP**"), the newly acquired company is a leading oil and gas and renewable energy solutions provider with more than 40 years of experience serving the offshore energy industry as an EPC supplier of offshore structures and specialising in accommodation platforms, minimum facilities platforms ("**MFPs**") and, more recently, offshore substations.

The acquisition of Sembmarine SLP will give the Group a footprint in the UK, providing synergistic support and reaching out to its North Sea clientele, positioning the Group for future growth opportunities. These include new business areas in the renewable energy sector as well as in the fabrication of minimum facilities platforms for marginal oil and gas fields in the North Sea and Asia Pacific waters.

Sembmarine SLP has been recently awarded an exclusive licence by Seahorse Platform Partners Ltd to use its patented SEAHARVESTER™ technology in the design and construction of MFPs for the North Sea, Irish waters and other territorial waters in the UK. Sembmarine SLP also has an additional exclusive licence for the use of MFPs in South East Asia and Australasia (excluding Malaysia and Brunei).

### **Strategic Presence in India – Sembmarine Kakinada Ltd**

On 26 November 2009, SSPL and Kakinada Seaports Limited (“**Kakinada Seaports**”) entered into an agreement to form a joint venture company, known as Sembmarine Kakinada Ltd (“**SKL**”), to establish and operate a marine and offshore facility catering to offshore drilling units and merchant vessels trading or operating in Indian waters.

Sembmarine Kakinada, the yard established by SKL in the east coast of India, commenced drydocking operations in January 2013. This followed the successful commissioning of the yard’s first newbuild floating dock, which has a lifting capacity of 13,500 tonnes and is equipped with two 15-tonne travelling dock cranes.

With the new floating dock in operation, the yard is capable of undertaking full drydocking and repair works, supported by facilities such as blasting and painting shops, specialised offshore equipment service shops for riser and tubular repairs, mechanical and electrical, piping and outfitting and multi-purpose workshops as well as a 630 m repair pier with two 50-tonne travelling cranes.

The development of Sembmarine Kakinada into a one-stop integrated offshore service facility will be carried out in three phases. When completed, the yard will be a one-stop integrated offshore service facility for the repairs and servicing of offshore vessels and ships, newbuildings, oil and gas riser and equipment repairs as well as platforms and modules fabrication.

### **Expanding Indonesian Operations**

P.T. SMOE, a subsidiary of SMOE, further expanded its facilities on Batam island to cater to the upcoming field developments in offshore Indonesia and complement SMOE’s global contracting strategy in the oil and gas industry.

In May 2013, P.T. SMOE marked the completion of the yard’s fourth phase of development comprising the successful completion of its jetty built earlier in the second phase and the development of its North Yard. The expansion of the custom-built yard increased the yard area to 68.5 hectares and the reinforced quayside length to 547 m, enabling the yard to undertake mega-weight and modular concept projects. Another 450 m of shoreline is being planned as an extension of the newly completed Phase II quayside, which has a load-out capacity of 20,000 tonnes. Water depth at the quayside will be dredged to a uniform depth of 10 m. As part of the improvements, the whole yard has been hard-surfaced to ensure good ground conditions for optimal performance even during wet weather.

In addition to the existing facilities, four workshops, a blasting and painting chamber, two project office blocks, a VIP room for clients and visitors as well as two canteen facilities for more than 2,000 personnel formed part of the expansion programme.

# JURONG SHIPYARD PTE LTD

## 1. HISTORY AND BACKGROUND

Jurong Shipyard was incorporated on 25 April 1963 as the first commercial shipyard and a joint venture company between the Singapore government and Japan's Ishikawajima Harima Heavy Industries. Following a restructuring in 2000, Jurong Shipyard changed its name to Sembcorp Marine Ltd and a new wholly-owned subsidiary called Jurong Shipyard Pte Ltd (JSPL) was incorporated to provide continuity in branding and marketing.

Jurong Shipyard is one of the flagship shipyards of SCM.

Located in Singapore's west coast and having a total land area of 68 hectares and in two locations, JSPL currently operates four graving docks with a total capacity of 1,100,000 dwt and 2,728 m of berthing quays in Tanjong Kling and Pulau Samulun.

## 2. PRINCIPAL BUSINESS ACTIVITIES

JSPL is a leading shipyard offering integrated services and customised solutions in ship and rig repairs, building, upgrades and conversion and offshore engineering to a world-wide clientele. Apart from its proven track record in building a diverse range of mobile rigs that are capable of operating in shallow-waters, deepwaters and harsh environments, Jurong Shipyard is also a global leader in the EPC conversion of tankers to FPSOs, FSOs and FPU's.

## 3. FINANCIAL SUMMARY

### Profit and Loss Accounts

A summary of the audited profit and loss accounts of JSPL for FY 2013, FY 2012 and FY 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Turnover	2,938,187	64	1,786,967	(19)	2,196,530
Operating Profit	197,916	43	138,127	(62)	364,157
EBITDA	229,307	38	166,693	(57)	386,501
Net Profit	180,016	1	178,756	(55)	400,382

### Balance Sheet

A summary of the audited balance sheet of JSPL as at 31 December 2013, 31 December 2012 and 31 December 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Total Assets	3,090,712	32	2,350,199	18	1,992,020
Total Liabilities	2,432,474	32	1,845,517	33	1,389,703
Shareholders' Funds	658,238	30	504,682	(16)	602,317
Cash and Cash Equivalents	320,622	(17)	386,388	(59)	944,074
Borrowings	600,000	100	300,000	n.m. <sup>3</sup>	Nil
Net Borrowings <sup>1</sup>	279,378		Net Cash		Net Cash
Net Gearing Ratio <sup>2</sup>	0.44		Net Cash		Net Cash
Current Ratio	1.03x		1.00x		1.11x

1 "Net Borrowings" means borrowings (including hire purchase, if any) less cash and cash equivalents.

2 "Net Gearing Ratio" means Net Borrowings divided by shareholders' funds less Intangibles.

3 "n.m." means not meaningful.

# SEMBAWANG SHIPYARD PTE LTD

## 1. HISTORY AND BACKGROUND

SSPL, a wholly-owned subsidiary of SCM, was incorporated as a private limited company on 20 August 1996 to assume the business and undertaking of Sembawang Shipyard. Started as a naval dockyard, Sembawang Shipyard was established on 1 December 1968 when the British Admiralty handed the naval base to the Singapore Government.

Another flagship shipyard of SCM, Sembawang Shipyard is located on Singapore's north coast, operating from a site close to 86 hectares in size. It has been in the business for more than four decades.

SSPL has five docks totaling 775,000 dwt with adjacent engineering and fabrication facilities. It has almost four kilometers of continuous deep and sheltered berthage of up to 14 m in depth. The shipyard's 100,000 dwt drydock is one of the deepest in South East Asia with a draft of 13.1 m allowing cruise and naval vessels to dock without restrictions.

## 2. PRINCIPAL BUSINESS ACTIVITIES

SSPL has one of the largest integrated ship repair facilities in South East Asia. Its reputation is based on the company's commitment to high quality standards, health, safety, security and environment standards, timely delivery, superior customer service and innovative solutions.

Besides its proven expertise in the sectors of tankers, bulk carriers and container/cargo vessels, it is also a specialist in the niche markets of LNG carriers, passenger ship conversions/upgrading, rig repairs and upgrading, FPSO conversions, offshore conversions and newbuildings, damage repairs, chemical tankers, liquefied gas carriers and support vessels.

In particular, SSPL is the market leader for the repairs, refurbishment and upgrading of LNG carriers, cruise ship refits, refurbishments and conversions.

## 3. FINANCIAL SUMMARY

### Profit and Loss Accounts

A summary of the audited profit and loss accounts of SSPL for FY 2013, FY 2012 and FY 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Turnover	783,225	13	690,822	0	687,961
Operating Profit	80,815	(7)	86,898	(35)	133,755
EBITDA	99,290	(3)	102,421	(30)	145,356
Net Profit	70,037	(4)	72,803	(39)	119,130

### Balance Sheet

A summary of the audited balance sheet of SSPL as at 31 December 2013, 31 December 2012 and 31 December 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Total Assets	831,108	8	767,686	(8)	834,285
Total Liabilities	535,553	11	482,567	(12)	545,891
Shareholders' Funds	295,555	4	285,119	(1)	288,394
Cash and Cash Equivalents	121,947	(12)	139,360	(49)	275,698
Borrowings	33,912	3	32,981	(6)	35,111
Net Borrowings <sup>1</sup>	Net Cash		Net Cash		Net Cash
Net Gearing Ratio <sup>2</sup>	Net Cash		Net Cash		Net Cash
Current Ratio	1.16x		1.17x		1.21x

1. "Net Borrowings" means Borrowings (including hire purchase, if any) less Cash and Cash Equivalents.

2. "Net Gearing Ratio" means Net Borrowings divided by Shareholders' Funds less Intangibles.

## SMOE PTE LTD

### 1. HISTORY AND BACKGROUND

SMOE, a wholly-owned subsidiary of SCM, was acquired from the SCI Group in September 2006. Prior to such acquisition, the company had attained a reputation as a leading turnkey contractor in the global oil and gas industry through its proven track record of more than 30 years in the construction of offshore fixed platforms, floating production systems, specialised modules and modularisation of onshore LNG plants for a world-wide clientele.

Equipped with one of the finest fabrication facilities in the region, SMOE operates a 29-hectare yard that is located at Admiralty West, Singapore with clear access to the open seas. SMOE also has two other subsidiary yards in Batam, Indonesia and Lowestoft, UK. The Indonesian fabrication yard is situated in the Kabil Industrial Zone on the eastern shore of Batam Island, Indonesia. May 2013 marked the completion of an expansion of the custom-built yard on Batam increasing the yard area to 68.5 hectares and the reinforced quayside length to 547 m. This enables the yard to undertake mega-weight and modular concept projects. The UK yard is based in Lowestoft in the English county of Suffolk (on the North Sea coast) with a total land area of 5.5 hectares.

### 2. PRINCIPAL BUSINESS ACTIVITIES

SMOE is capable of delivering a full range of turnkey solutions providing engineering, procurement and construction through to transportation, installation, hook up and commissioning services. The range of turnkey solutions is for the development of offshore fixed platform and the fabrication, integration and pre-commissioning of topside modules for FPSOs, as well as modularisation of onshore plants.

### 3. FINANCIAL SUMMARY

#### Profit and Loss Accounts

A summary of the audited profit and loss accounts of SMOE Group for FY 2013, FY 2012 and FY 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Turnover	868,363	12	774,394	117	356,109
Operating Profit	79,110	26	62,929	(11)	70,949
EBITDA	87,591	25	70,309	(9)	77,519
Net Profit	67,437	9	61,921	3	60,300

#### Balance Sheet

A summary of the audited balance sheet of SMOE Group as at 31 December 2013, 31 December 2012 and 31 December 2011 is as follows:

S\$'000	FY 2013	% Change	FY 2012	% Change	FY 2011
Total Assets	593,981	12	528,009	23	430,766
Total Liabilities	454,087	9	418,121	21	346,612
Shareholders' Funds	137,854	28	107,894	29	83,316
Cash and Cash Equivalents	199,431	(16)	236,926	(8)	258,471
Borrowings	Nil		Nil		Nil
Net Borrowings <sup>1</sup>	Net Cash		Net Cash		Net Cash
Net Gearing Ratio <sup>2</sup>	Net Cash		Net Cash		Net Cash
Current Ratio	1.08x		0.96x		0.98x

1 "Net Borrowings" means borrowings (including hire purchase, if any) less cash and cash equivalents.

2 "Net Gearing Ratio" means Net Borrowings divided by shareholders' funds less Intangibles.

## **PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS**

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used for the purposes of funding new capital expenditures, acquisitions, general corporate and working capital requirements and/or refinancing existing borrowings of each of the Issuers and their respective subsidiaries or such other purposes as may be specified in the relevant Pricing Supplement.



## CLEARING AND SETTLEMENT

### Clearance and Settlement under the Depository System

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (the “**Depository System**”) maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Security or a Global Certificate for persons holding the Securities in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Securities between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the third Business Day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Securities through the Depository System may only be effected through certain corporate depositors (the “**Depository Agents**”) approved by CDP under the Companies Act to maintain securities sub-accounts and to hold the Securities in such securities sub-accounts for themselves and their clients. Accordingly, Securities for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding the Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfers of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Guarantor, the Issuing and Paying Agent or any other agent will be responsible for the performance by CDP of its obligations under the rules and procedures governing its operations.

### Clearance and Settlement under Euroclear and Clearstream

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Securities held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

## SINGAPORE TAXATION

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the IRAS and MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to acquire, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Holders and prospective holders of the Securities are advised to consult their own professional advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Securities, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuers, the Arrangers, the Guarantor and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.*

*In addition, the disclosure below is on the assumption that the IRAS regards each Tranche of the Perpetual Securities as “debt securities” for the purposes of the Income Tax Act and that distribution payments made under each Tranche of the Perpetual Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If any Tranche of the Perpetual Securities is not regarded as “debt securities” for the purposes of the Income Tax Act and holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Tranche of the Perpetual Securities. There is no assurance that the IRAS will agree to treat any particular Tranche of Perpetual Securities as debt securities and distributions thereon as interest. An Issuer may, at its discretion, seek an advance tax ruling from the IRAS to confirm whether the IRAS would regard a particular Tranche of Perpetual Securities as debt securities and distributions thereon as interest. There is, however, no assurance that the IRAS will issue a favourable ruling. Please also refer to the section “Tax treatment of the Perpetual Securities is unclear” under Investment Considerations relating to the Perpetual Securities.*

### **1. Interest and Other Payments**

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 20 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, as the Programme was arranged as a whole by DBS Bank Ltd. and Standard Chartered Bank, Singapore Branch, each of which was a Financial Sector Incentive (Bond Market) Company (as defined in the Income Tax Act), at such time, any Tranche of the Securities (the "**Relevant Securities**") issued or to be issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2018 would be, pursuant to the Income Tax Act and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" (the "**MAS Circular**") issued by MAS on 28 June 2013, qualifying debt securities ("**QDS**") for the purposes of the Income Tax Act, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the submission of a return on debt securities in respect of the Relevant Securities in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Securities as the relevant authorities may require to MAS and such other relevant authorities as may be prescribed and the inclusion by the Relevant Issuer in all offering documents relating to the Relevant Securities of a statement to the effect that where interest, discount income, break cost, prepayment fee or redemption premium from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Securities using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), "prepayment fee", "redemption premium" and "break cost" (collectively, the "**Qualifying Income**") from the Relevant Securities paid by the Relevant Issuer and derived by a holder who is not resident in Singapore and who does not have any permanent establishment in Singapore is exempt from Singapore tax. Non-residents who carry on any operation through permanent establishments in Singapore will also have the benefit of this exemption, provided that the Relevant Securities are not acquired using any funds from Singapore operations. "**Funds from Singapore operations**" means, in relation to a person, the funds and profits of that person's operations through a permanent establishment in Singapore;
- (ii) subject to certain conditions having been fulfilled (including the submission of a return on debt securities in respect of the Relevant Securities in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection

with the Relevant Securities as the relevant authorities may require to MAS and such other relevant authorities as may be prescribed), Qualifying Income from the Relevant Securities paid by the Relevant Issuer and derived by any company or body of persons (as defined in the Income Tax Act) in Singapore is subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

(aa) the Relevant Issuer including in all offering documents relating to the Relevant Securities a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the Income Tax Act; and

(bb) the submission of a return on debt securities for the Relevant Securities in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Securities as the relevant authorities may require to MAS and such other relevant authorities as may be prescribed,

payments of Qualifying Income derived from the Relevant Securities are not subject to withholding of tax by the Relevant Issuer.

Notwithstanding the foregoing:

(a) if during the primary launch of any Tranche of Relevant Securities, the Relevant Securities of such Tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the Relevant Issuer, such Relevant Securities would not qualify as QDS; and

(b) even though a particular Tranche of Relevant Securities are QDS, if, at any time during the tenor of such Tranche of Relevant Securities, 50 per cent. or more of the issue of such Relevant Securities is held beneficially or funded, directly or indirectly, by any related party(ies) of the Relevant Issuer, Qualifying Income derived from such Relevant Securities held by:

(i) any related party of the Relevant Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Relevant Issuer,

shall not be eligible for the tax exemption or the concessionary rate of tax as described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms “**break cost**”, “**prepayment fee**” and “**redemption premium**” are defined in the Income Tax Act as follows:

- “break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
- “prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

- “redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “break cost”, “prepayment fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the Income Tax Act.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (if applicable and subject to certain conditions) under the Income Tax Act shall not apply if such person acquires the Relevant Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the Income Tax Act.

Under the Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”), subject to certain conditions having been fulfilled (including the submission of a return on debt securities in respect of the QDS in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the QDS as the relevant authorities may require to MAS and such other relevant authorities as may be prescribed), income tax exemption is granted on Qualifying Income derived by any investor from QDS (excluding Singapore Government Securities) which:-

- (a) are issued during the period from 16 February 2008 to 31 December 2018;
- (b) have an original maturity of not less than 10 years;
- (c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even if a particular Tranche of the Relevant Securities are QDS which qualify under the QDS Plus Scheme, if, at any time during the tenure of such Tranche of Relevant Securities, 50 per cent. or more of the issue of such Relevant Securities is held beneficially or funded, directly or indirectly, by any related party(ies) of the Relevant Issuer, Qualifying Income from such Relevant Securities derived by:

- (i) any related party of the Relevant Issuer; or
- (ii) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Relevant Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

The MAS Circular states that, with effect from 28 June 2013, the QDS Plus Scheme will be refined to allow QDS with certain standard early termination clauses (as prescribed in the MAS Circular) to qualify for the QDS Plus Scheme at the point of issuance of such debt securities. The MAS has also clarified that if such debt securities are subsequently redeemed prematurely pursuant to such standard early termination clauses before the 10<sup>th</sup> year from the date of issuance of such debt securities, the tax exemption granted under the QDS Plus Scheme to Qualifying Income accrued prior to such redemption will not be clawed back. Under such circumstances, the QDS Plus status of such debt securities will be revoked prospectively for such outstanding debt securities (if any), and holders thereof may still enjoy the tax benefits under the QDS Scheme if the QDS conditions continue to be met.

The MAS has stated that, notwithstanding the above, QDS with embedded options with economic value (such as call, put, conversion or exchange options which can be triggered at specified prices or dates and are built into the pricing of such debt securities at the onset) which can be exercised within ten years from the date of issuance of such debt securities will continue to be excluded from the QDS Plus Scheme from such date of issuance.

## **2. Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains derived by any person from the sale of the Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Securities who apply, or who are required to apply Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 39. Please see the section below on “Adoption of FRS 39 Treatment for Singapore Income Tax Purposes”.

## **3. Adoption of FRS 39 Treatment for Singapore Income Tax Purposes**

The IRAS has issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition and Measurement” (the “**FRS 39 Circular**”). The Income Tax Act has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain “opt-out” provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Securities who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

## **4. Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

## SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Securities to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Relevant Issuer and the Relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe for or procure subscribers for Securities from the Relevant Issuer pursuant to the Programme Agreement. The Relevant Issuer may also from time to time agree with the relevant Dealer(s) that the relevant Issuer may pay certain third party commissions (including, without limitation, rebates to private banks as specified in the applicable Pricing Supplement).

The Arrangers, the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Arrangers and the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with any of the Issuers or any of the Issuers' subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Arrangers, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuers or of their subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Arranger or Dealer or any of their affiliates for asset management and/or proprietary purposes but not with a view to distribution.

### United States

The Securities and the Guarantee have not been and will not be registered under the Securities Act, and the Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Bearer Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that except as permitted by the Programme Agreement, it will not offer, sell or deliver the Securities of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable Tranche of which such Securities are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or, in the case of an identifiable Tranche sold to or through more than one Dealer, by each of such Dealers with respect to Securities of an identifiable Tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.



In addition, until 40 days after the commencement of the offering of any identifiable Tranche, an offer or sale of Securities within the United States by a dealer that is not participating in the offering of such Securities may violate the registration requirements of the Securities Act.

### **Hong Kong**

Each Dealer has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance, or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

### **Singapore**

Each Dealer has acknowledged that this Information Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

### **General**

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction (other than Singapore) where action for that purpose is required.

Each Dealer has agreed that it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Securities or any interest therein or rights in respect thereof or has in its possession or distributes, this Information Memorandum or any other document or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Securities or any interest therein or rights in respect thereof or distribute or publish any prospectus, circular, advertisement or other offering material (including, without limitation, this Information Memorandum) in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of Securities or any interest therein or rights in respect thereof by it will be made on the foregoing terms. In connection with the offer, sale or delivery by any Dealer of any Securities or any interest therein or rights in respect thereof, the Issuers shall not have responsibility for, and each Dealer will obtain, any consent, approval or permission required in and each Dealer will comply with the laws and regulations in force in, any jurisdiction to which it is subject or from which it may make any such offer or sale.

*Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Securities or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.*

## GENERAL INFORMATION

## INFORMATION ON DIRECTORS

1. (a) The name, age and position of each of the Directors of SCM are set out below:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Tan Sri Mohd Hassan Marican	61	Chairman
Wong Weng Sun	52	President and CEO
Ajaib Haridass	64	Director
Tang Kin Fei	63	Director
Foo Siang Guan Ron	67	Director
Lim Ah Doo	64	Director
Koh Chiap Khiong	47	Director
Ang Teik Lim Eric	61	Director

- (b) The name, age and position of each of the Directors of JSPL are set out below:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Wong Weng Sun	52	Chairman
Lee Yeok Hoon	64	Director
Tan Cheng Tat	48	Director
Ong Poh Kwee	52	Director
Chua San Lye	52	Director
Wang Zijian	49	Director
Tan Yah Sze	45	Director

- (c) The name, age and position of each of the Directors of SSPL are set out below:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Wong Weng Sun	52	Chairman
Chua San Lye	52	Director
Ong Poh Kwee	52	Director
Wong Lee Lin	63	Director
Tan Cheng Tat	48	Director
Tan Yah Sze	45	Director

(d) The name, age and position of each of the Directors of SMOE are set out below:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Wong Weng Sun	52	Chairman
Ong Poh Kwee	52	Director
Ho Nee Sin	70	Director
Tan Cheng Tat	48	Director
Chua San Lye	52	Director
Tan Yah Sze	45	Director

2. Save as disclosed below, no option to subscribe for Shares in, or debentures of, SCM has been granted to, or was exercised by, any Director during the last financial year ended 31 December 2013 up to the Latest Practicable Date:

<b>Name of Director</b>	<b>Number of Options exercised</b>
Tan Sri Mohd Hassan Marican	Nil
Wong Weng Sun	Nil
Ajaib Haridass	Nil
Tang Kin Fei	Nil
Foo Siang Guan Ron	Nil
Lim Ah Doo	Nil
Koh Chiap Khiong	Nil
Ang Teik Lim Eric	Nil

3. No option to subscribe for shares in, or debentures of, JSPL has been granted to, or was exercised by, any Director during the last financial year ended 31 December 2013 up to the Latest Practicable Date.
4. No option to subscribe for shares in, or debentures of, SSPL has been granted to, or was exercised by, any Director during the last financial year ended 31 December 2013 up to the Latest Practicable Date.
5. No option to subscribe for shares in, or debentures of, SMOE has been granted to, or was exercised by, any Director during the last financial year ended 31 December 2013 up to the Latest Practicable Date.
6. No awards for Shares in SCM have been granted to, and no awarded Shares have been released to, any Director during the last financial year ended 31 December 2013 up to the Latest Practicable Date.
7. No Director is interested, directly or indirectly, in the promotion of any assets acquired or disposed of by or leased to, the Issuers or any of their respective subsidiaries, within the two years preceding the Latest Practicable Date, or in any proposal for such acquisition, disposal or lease as aforesaid.

8. The interests of the Directors and the substantial shareholders of each Issuer in the Shares as at the Latest Practicable Date, are as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>1</sup>	Number of Shares	% <sup>1</sup>
Tan Sri Mohd Hassan Marican	30,200	n.m. <sup>2</sup>	-	-
Wong Weng Sun	3,378,918	0.16	-	-
Ajaib Haridass	613,910	0.03	-	-
Tang Kin Fei	249,470	0.01	-	-
Foo Siang Guan Ron	124,580	0.01	42,000	n.m.
Lim Ah Doo	61,700	n.m.	-	-
Koh Chiap Khiong	21,400	n.m.	-	-
Lee Yeok Hoon	1,387,792	0.07	-	-
Tan Cheng Tat	953,292	0.05	-	-
Chua San Lye	114,622	0.01	-	-
Ong Poh Kwee	792,764	0.04	-	-
Wong Lee Lin	756,338	0.04	-	-
Wang Zijian	185,621	0.01	-	-
Tan Yah Sze	162,677	0.01	-	-
<b>Substantial Shareholders</b>				
Sembcorp Industries Ltd	1,265,370,764	60.57	-	-
Temasek Holdings (Private) Limited	-	-	1,268,556,073	60.72

**Notes:**

- Based on 2,089,145,298 Shares in issue (excluding 614,809 Shares held in treasury) as at 31 July 2014. Temasek Holdings (Pte) Ltd is deemed to be interested in the 1,265,370,764 Shares held by Sembcorp Industries Ltd and 3,185,309 Shares held by companies in the Temasek group.
- n.m. Not meaningful.

**SHARE CAPITAL**

9. As at the Latest Practicable Date, there is only one class of ordinary shares in each of SCM and SSPL and one class of ordinary shares and one class of redeemable preference shares in each of JSPL and SMOE. The rights and privileges attached to such shares are stated in the constitutive documents or Articles of Association of each Issuer.

10. The issued share capital of each Issuer as at the Latest Practicable Date is as follows:

- (a) SCM

Share Designation	Issued Share Capital	
	(\$)	(Number)
Ordinary Shares	484,288,253.02	2,089,760,107

- (b) JSPL

Share Designation	Issued Share Capital	
	(\$)	(Number)
Ordinary Shares	50,000,000	50,000,000
Redeemable Preference Shares	320,000,000	320,000,000

(c) SSPL

Share Designation	Issued Share Capital	
	(S\$)	(Number)
Ordinary Shares	40,000,000	40,000,000

(d) SMOE

Share Designation	Issued Share Capital	
	(S\$)	(Number)
Ordinary Shares	34,862,612	34,862,612

11. Save for the Shares issued pursuant to the exercise of options under the Sembcorp Marine Share Option Plan, the vesting of performance shares awarded under the Sembcorp Marine Performance Share Plan 2010 and the vesting of restricted shares awarded under the Sembcorp Marine Restricted Share Plan 2010, no shares in, or debentures of, any of the Issuers have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for a consideration other than cash, within the two years preceding the Latest Practicable Date.

#### **BORROWINGS**

12. Save as disclosed in Appendices II, III, IV and V, none of the Issuers or their respective subsidiaries had as at 31 December 2013 any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

#### **WORKING CAPITAL**

13. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Securities, each Issuer will have adequate working capital for their present requirements.

#### **CHANGES IN ACCOUNTING POLICIES**

14. There has been no significant change in the accounting policies of each Issuer since its audited accounts for the financial year ended 31 December 2013.

#### **LITIGATION**

15. None of the Issuers or any of their respective subsidiaries is involved in any litigation or arbitration proceedings which may have, or have had during the 12 months preceding the date of this Information Memorandum, a material adverse effect on the financial position of such Issuer and its subsidiaries taken as a whole nor is such Issuer aware of any such proceedings pending or being threatened.

#### **MATERIAL ADVERSE CHANGE**

16. There has been no material adverse change in the financial condition or business of the Issuers since 31 December 2013.

#### **DOCUMENTS AVAILABLE FOR INSPECTION**

17. So long as the Securities are capable of being issued under the Programme or any Securities are outstanding, copies of the following documents may be inspected at the registered office of each Issuer during normal business hours:

(a) the Memorandum and Articles of Association of such Issuer;

- (b) the Trust Deed; and
- (c) the audited accounts of such Issuer and its subsidiaries (if any) for the last financial year ended 31 December 2013 and (in relation to SCM only) the announcement of the unaudited results of SCM and its subsidiaries for the second quarter of 2014 and six months ended 30 June 2014.

**FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE**

- 18. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

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NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** In order to be eligible to view the attached information memorandum or make an investment decision with respect to the notes, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act (as defined below)). The attached information memorandum is being sent at your request and by accepting the e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not resident in the United States (“U.S.”) nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this email has been delivered is not located in the U.S. and, to the extent you purchase the notes described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this document, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor as defined under Section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”), a relevant person as defined under Section 275(2) of the SFA or persons to whom an offer is being made, as referred to in Section 275(1A) of the SFA, and (B) agree to be bound by the limitations and restrictions described herein.

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The attached information memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of Sembcorp Marine Ltd, Jurong Shipyard Pte Ltd, Sembawang Shipyard Pte Ltd or, as the case may be, SMOE Pte Ltd in such jurisdiction. The attached information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

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