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Pricing Supplement



HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Starhill Global Real Estate Investment Trust)

S\$2,000,000,000

Multicurrency Debt Issuance Programme

SERIES NO: 002

TRANCHE NO: 001

S\$[●] [●] Per Cent. Perpetual Securities

Issue Price: [●] per cent.

Oversea-Chinese Banking Corporation Limited

(as Lead Manager)

Principal Paying Agent and CDP Registrar
Deutsche Bank AG, Singapore Branch
One Raffles Quay
#16-00 South Tower
Singapore 048583

The date of this Pricing Supplement is [●] 2020.

The information in this Preliminary Pricing Supplement is not complete and may be changed. This Preliminary Pricing Supplement is not an offer to sell nor is it an offer to buy securities in any jurisdiction where such offer or sale is not permitted or to any person or entity to whom it is unlawful to make an offer or sale. The definitive terms of the transaction described herein will be described in the final form Pricing Supplement. Investors should not subscribe for any securities referred to in this Preliminary Pricing Supplement except on the basis of information contained in the combination of the final form Pricing Supplement and the Information Memorandum referred to herein.

This Pricing Supplement relates to the Tranche of Perpetual Securities referred to above.

This Pricing Supplement, under which the Perpetual Securities described herein (the "**Perpetual Securities**") are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 3 January 2020 as supplemented by the Supplemental Information Memorandum dated 25 September 2020 (and as further revised, supplemented, amended, updated or replaced from time to time, the "**Information Memorandum**") issued in relation to the S\$2,000,000,000 Multicurrency Debt Issuance Programme of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Starhill Global Real Estate Investment Trust) (the "**Issuer**"). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Perpetual Securities will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue and offering of the Perpetual Securities.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Perpetual Securities or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

An advance tax ruling will be requested from the Inland Revenue Authority of Singapore ("**IRAS**") to confirm, amongst other things, whether the IRAS would regard the Perpetual Securities as "debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore ("**ITA**") and the distributions (including Arrears of Distribution and any Additional Distribution Amounts) made under the Perpetual Securities as interest payable on indebtedness such that holders of the Perpetual Securities may enjoy the tax concessions and exemptions available for qualifying debt securities under the qualifying debt securities scheme, as set out in the section "Singapore Taxation" of the Information Memorandum provided that the relevant conditions are met.

There is no guarantee that a favourable ruling will be obtained from the IRAS. In addition, no assurance is given that the Issuer can provide all information or documents requested by IRAS for the purpose of the ruling request, and a ruling may not therefore be issued.

If the Perpetual Securities are not regarded as debt securities for the purposes of the ITA and/or holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ.

No assurance, warranty or guarantee is given on the tax treatment to holders of the Perpetual Securities in respect of the distributions payable to them (including Arrears of Distribution and Additional Distribution Amounts). Investors should therefore consult their own accounting and tax advisers regarding the Singapore income tax consequence of their acquisition, holding and disposal of the Perpetual Securities.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual 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 (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") shall not apply if such person acquires such Perpetual 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 derived from the Perpetual Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Except as disclosed in the Information Memorandum and this Pricing Supplement, there has been no material adverse change, or any development involving a prospective material adverse change, in the financial condition or business of the Issuer, Starhill Global REIT or the Group, taken as a whole since 30 June 2020.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore:

The Perpetual Securities are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PRIIPs REGULATION - PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Perpetual Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2016/97 (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Perpetual Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Perpetual Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED
(in its capacity as trustee of Starhill Global Real Estate Investment Trust)

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

The terms of the Perpetual Securities and additional provisions relating to their issue are as follows:

- | | |
|--|---|
| 1. Issuer: | HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Starhill Global Real Estate Investment Trust) |
| 2. Series No.: | 002 |
| 3. Tranche No.: | 001 |
| 4. Currency: | Singapore Dollars |
| 5. Principal Amount of Series: | [●] |
| 6. Principal Amount of Tranche: | [●] |
| 7. Denomination Amount: | S\$250,000 |
| 8. Calculation amount (if different from Denomination Amount): | Not Applicable |
| 9. Issue Date: | [●] December 2020 |
| 10. Redemption Amount:
(including early redemption) | Denomination Amount |
| 11. Status of the Perpetual Securities: | Subordinated Perpetual Securities |
| 12. Distribution Basis: | Fixed Rate |
| 13. Distribution Commencement Date: | [●] December 2020 |
| 14. <u>Fixed Rate Perpetual Securities</u> | Applicable |
| (a) Day Count Fraction: | Actual/365 (Fixed) |
| (b) Distribution Payment Date(s): | [●] June and [●] December in each year, with the first Distribution Payment Date falling on [●] June 2021 |
| (c) Initial Broken Amount: | Not Applicable |
| (d) Final Broken Amount: | Not Applicable |
| (e) Distribution Rate: | (i) For the period from, and including, the Distribution Commencement Date to, but excluding, the First Reset Date, the Distribution Rate shall be at a fixed rate of [●] per cent. per annum, payable semi-annually in arrear.

(ii) For the period from, and including, the First Reset Date and each |

Reset Date falling thereafter to, but excluding, the immediate following Reset Date, the Distribution Rate shall be fixed at a rate equal to the Reset Distribution Rate, payable semi-annually in arrear.

- (f) Reset Date: The First Reset Date and (subject to any adjustment pursuant to Condition 4(V)(a)) each date falling 5 years after the immediately preceding Reset Date. For the avoidance of doubt, if any Reset Date is adjusted in accordance with Condition 4(V)(a), the immediately following Reset Date shall fall on the date falling five years after such adjusted Reset Date.
- (g) First Reset Date: Subject to any adjustment pursuant to Condition 4(V)(a), [●] December 2025.
- (h) Reset Distribution Rate: The prevailing 5-Year Swap Offer Rate with respect to the relevant Reset Date plus the Initial Spread.
- (i) Step-Up Margin: Not Applicable
- (j) Step-Up Date: Not Applicable
- (k) Initial Spread: [●] per cent. per annum
- (l) Relevant Rate: "**5-Year Swap Offer Rate**" shall have the meaning ascribed to the term "Swap Offer Rate" in Condition 4(I)(b).
- (m) Reset Period: 5 years
- (n) Reference Banks: Three major banks selected by the Calculation Agent in the interbank market that is most closely connected with the Swap Offer Rate.
- (o) Delisting Margin: Not Applicable
15. Floating Rate Perpetual Securities Not Applicable
16. Optional Payment: Applicable
17. Dividend Pusher and Reference Period Not Applicable
18. Dividend Stopper Applicable
19. Non-Cumulative Deferral: Applicable
20. Cumulative Deferral: Not Applicable

21.	Additional Distribution:	Not Applicable
22.	Issuer's Redemption Option: Issuer's Redemption Option Period (Condition 5(b)):	Yes The Issuer may, by giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), redeem all or some only of the Perpetual Securities on [●] December 2025 or on any Distribution Payment Date thereafter at the Redemption Amount, together with distribution accrued to (but excluding) the date fixed for redemption.
23.	Redemption for Taxation Reasons: (Condition 5(c)):	Yes
24.	Redemption for Accounting Reasons: (Condition 5(d)):	Yes
25.	Redemption for Tax Deductibility: (Condition 5(e)):	Yes
26.	Redemption in the case of Minimal Outstanding Amount: (Condition 5(f)):	Yes
27.	Redemption upon Delisting of Units: (Condition 5(g)):	No
28.	Redemption upon a Regulatory Event (Condition 5(h)):	Yes
29.	Redemption upon a Ratings Event (Condition 5(i)):	Yes
30.	Perpetual Securities to be represented on issue by:	Registered Global Certificate
31.	Talons for future Coupons to be attached to Definitive Perpetual Securities (and dates on which such Talons mature):	No
32.	Applicable TEFRA exemption:	Not Applicable
33.	Listing:	Singapore Exchange Securities Trading Limited
34.	ISIN Code:	[●]
35.	Common Code:	[●]
36.	Clearing System(s):	The Central Depository (Pte) Limited

37. Depository:	The Central Depository (Pte) Limited
38. Delivery:	Delivery free of payment
39. Method of issue of Perpetual Securities:	Individual Dealer
40. The following Dealer is subscribing for the Perpetual Securities:	Oversea-Chinese Banking Corporation Limited
41. Stabilising Manager(s) (if any):	Not Applicable
42. Prohibition of Sales to EEA or UK Retail Investors:	Applicable
43. Paying Agent:	Principal Paying Agent
44. Calculation Agent:	Deutsche Bank AG, Singapore Branch
45. Date of Calculation Agency Agreement	Not Applicable
46. The aggregate principal amount of Perpetual Securities issued has been translated in Singapore dollars at the rate of [•] producing a sum of (for Perpetual Securities not denominated in Singapore dollars):	Not Applicable
47. Use of Proceeds	The net proceeds arising from the issuance of the Perpetual Securities (after deducting issue expenses) will be used by the Issuer and/or its subsidiaries to refinance existing borrowings of Starhill Global REIT, meet capital expenditure requirements and/or for working capital purposes of Starhill Global REIT.
48. Private Bank Rebate/Commission	Applicable Private banking selling commission of 0.25 per cent. of the aggregate principal amount of the Perpetual Securities allocated to private banking sales channels.
49. Rating	Not Applicable. The Perpetual Securities are unrated
50. Other terms:	Please see the Appendix.
Details of any additions or variations to terms and conditions of the Perpetual Securities as set out in the Information Memorandum:	Please see the Appendix.
Any additions or variations to the selling restrictions:	Not Applicable.

APPENDIX

The Information Memorandum is hereby supplemented with the following information, which shall be deemed to be incorporated in, and to form part of, the Information Memorandum. Save as otherwise defined herein, terms defined in the Information Memorandum have the same meaning when used in this Appendix.

RECENT DEVELOPMENTS

On 28 October 2020, the business updates of Starhill Global REIT for the quarter ended 30 September 2020 (the "**1Q2020/21 Business Updates**") was announced on SGXNET. As stated in the 1Q2020/21 Business Updates, the gross revenue and net property income of the Group was lower by 10.3% and 19.2% on a year-on-year basis as compared to the quarter ended 30 September 2019. This was mainly due to rental assistance to eligible tenants affected by the COVID-19 pandemic (including allowance for rental arrears and rebates (mainly for the Australia Properties) which was partially offset by higher contributions from The Starhill (formerly known as "Starhill Gallery") and appreciation of the Australian Dollar. Please refer to the 1Q2020/21 Business Updates (which are incorporated by reference in, and form part of, the Information Memorandum) for further information.

The COVID-19 pandemic continues to impact many industries worldwide including the retail sector and created significant uncertainty in global economic prospects and the Group's operating environment. Various countries in the world have implemented safe distancing and/or movement and border control restrictions in an attempt to curb the spread of COVID-19 infections. Almost a year later, many countries are still experiencing multiple waves of COVID-19 infections and numerous travel and safe-distancing restrictions remain in place.

Governments have been implementing measures on an ad-hoc basis in response to the evolving COVID-19 situation and it is difficult to predict the impact on the Group in complying with these measures. For example, on 2 November 2020, the Singapore government has announced a Re-Align Framework under which eligible businesses may renegotiate selected contracts in a bid to reach a mutual agreement on terms. If such agreement is not reached, the contract may be terminated. One category of contracts which may be affected is leases or licences for non-residential immovable property entered into before 25 March 2020 which have a term of five or less years, which may include the leases for the Group's properties in Singapore. It is currently not possible to determine the extent of the impact the Re-Align Framework on the Group, which depends on the number of tenants of the Group's Singapore properties who are able to satisfy the qualifying criteria yet to be announced by the Singapore government. The impact also depends on the outcome of negotiations to be conducted with these eligible tenants.

RISK FACTORS

The risk factor titled "The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Securities linked to or referencing such "benchmarks"" under the sub-

section entitled "RISK ASSOCIATED WITH AN INVESTMENT IN SECURITIES" shall be deleted in its entirety and substituted with the following:

"The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Securities linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be or used as "benchmarks" are the subject of recent international and national regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Security linked to or referencing such a benchmark.

More broadly, any of the international, national, or other proposals for, reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The United Kingdom Financial Conduct Authority has through a series of announcements indicated that the continuation of LIBOR on the current basis (or at all) cannot and will not be guaranteed after 2021. As the SOR methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after end-2021 will impact the future sustainability of SOR. On 30 August 2019, the MAS announced that, it has established a steering committee, the Steering Committee for SOR Transition to SORA (the "**SC-STs**"), to oversee an industry-wide interest rate benchmark transition from the SOR to the Singapore Overnight Rate Average ("**SORA**"). On 5 August 2020, MAS announced several initiatives to support the adoption of SORA, including prescribing SORA as a financial benchmark under the SFA. The initiatives aim to catalyse greater activity in SORA markets, safeguard the benchmark's integrity and enhance market confidence in SORA. On 27 October 2020, the SC-STs announced industry timelines to support a coordinated shift away from the use of SOR in financial products, and to concurrently accelerate usage of SORA. SOR is set to be discontinued alongside LIBOR discontinuation after end-2021 and more specifically, all lenders and borrowers are to cease the issuance of SOR-linked loans and securities that mature after end-2021.

It is not possible to predict with certainty whether, and to what extent, SOR will continue to be supported going forward. The potential elimination of the SOR benchmark, or changes in the manner of administration of the SOR benchmark, could require or result in an adjustment to the distribution calculation provisions of the Conditions (as further described in Condition 4(V) of the Perpetual Securities), or result in adverse consequences to holders of the Perpetual Securities. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark; (ii) trigger changes in the rules or methodologies used in the benchmark or (iii) lead to the disappearance of the "benchmark".

Following the implementation of any such potential reforms, the manner of administration of SOR may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative rates and as to

potential changes to SOR may adversely affect SOR during the term of the Perpetual Securities, the return on the Perpetual Securities and the trading market for securities based on the same benchmark.

The terms and conditions of the Perpetual Securities provide for certain fallback arrangements in the event that a published benchmark, such as SOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of SOR. Due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an independent adviser acting in consultation with the Issuer, the relevant fallback provisions may not operate as intended at the relevant time.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Perpetual Securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Perpetual Securities in making any investment decision with respect to the Perpetual Securities."

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Perpetual Securities shall be amended by deleting the existing Condition 4(V)(a) in its entirety and substituting it with a new Condition 4(V)(a) as follows:

"(a) Independent Adviser

Notwithstanding the provisions above in this Condition 4, if a Benchmark Event occurs in relation to an Original Reference Rate when any Distribution Rate (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use commercially reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(V)(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(V)(c)) and any Benchmark Amendments (in accordance with Condition 4(V)(d)). An Independent Adviser appointed pursuant to this Condition 4(V) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Trustee, the Principal Paying Agent, the Perpetual Securityholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(V).

If the Issuer is unable to appoint an Independent Adviser after using commercially reasonable endeavours, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Rate prior to the relevant Reset Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(V)(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(V)(c)) and any Benchmark Amendments (in accordance with Condition 4(V)(d)).

If the Issuer is unable to determine a Successor Rate or an Alternative Rate prior to the Reset Determination Date in respect of a Reset Date (an "**Original Reset Date**"), the Distribution Rate applicable to the next succeeding Distribution Period falling immediately after the Original Reset Date shall be equal to the Distribution Rate last determined in relation to the Perpetual Securities in respect of the immediately preceding Distribution Period, and such Reset Date shall be adjusted so that it falls on the Distribution Payment Date immediately after the Original Reset Date.

This paragraph shall apply, *mutatis mutandis*, to each adjusted Reset Date until a Successor Rate or an Alternative Rate is determined in accordance with this Condition 4(V)(a)."