

IMPORTANT NOTICE

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 (i) a U.S. person (as defined in Regulation S under the Securities Act (as defined below)) or (ii) located within the United States (“U.S.”). The attached information memorandum is being sent at your request and by accepting this e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not located in the United States 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 e-mail address that you gave us and to which this e-mail 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 e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the “**SFA**”)) for purposes of Section 274 of the SFA, a relevant person (as defined in Section 275(2) of the SFA) for purposes of Section 275(1) of the SFA, or a person who acquires notes pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The attached information memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Nanyang Technological University, Oversea-Chinese Banking Corporation Limited or any person who controls any of them nor any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the information memorandum distributed to you in electronic format and the hard copy version.

Restrictions: The attached information memorandum is being furnished in connection with an offering of notes exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the notes described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of Nanyang Technological University or Oversea-Chinese Banking Corporation Limited to subscribe for or purchase any of the notes described therein, and access has been limited so that it shall not constitute directed selling efforts (as defined in Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering of notes 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 of notes 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 of notes shall be deemed to be made by the dealers or such affiliate on behalf of Nanyang Technological University 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.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession the attached information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this information memorandum, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the notes described therein.**

Actions that You May Not Take: If you receive the attached information memorandum by e-mail, you should not reply by e-mail, and you may not purchase any notes by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. If you receive the attached information memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

INFORMATION MEMORANDUM DATED 11 OCTOBER 2021



(UEN/Company Registration No. 200604393R)

S\$1,000,000,000

Multicurrency Medium Term Note Programme (the “Programme”)

Under the Multicurrency Medium Term Note Programme described in this Information Memorandum (the “**Programme**”), Nanyang Technological University (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the “**Notes**”) denominated in Singapore dollars and/or any other currencies. The aggregate principal amount of Notes outstanding will not at any time exceed S\$1,000,000,000 (or the equivalent in other currencies), subject to increase as described herein.

Defined terms used in this Information Memorandum shall have the meanings given to such terms in “Terms and Conditions of the Notes”.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Programme and application will be made to the SGX-ST for permission to deal in and the listing and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. Such permission will be granted when such Notes 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. Approval in-principle from, admission to the Official List of the SGX-ST and the listing and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, associated companies (if any), joint venture companies (if any), the Programme or such Notes. Unlisted Notes may also be issued under the Programme. The relevant Pricing Supplement (as defined herein) in respect of any Series (as defined herein) will specify whether or not such Notes will be listed, and if so, which exchange(s) the Notes are to be listed on.

The Issuer has been assigned an Issuer rating of “Aaa” by Moody’s Investors Service, Inc. (“**Moody’s**”). Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Issuer or the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

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 or purchase, of Notes may not be circulated or distributed, nor may the Notes 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 (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”), pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Any reference to the “**SFA**” is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time. Please refer to the section titled – “Notice – Selling Restrictions – Singapore” for further details.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, 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) unless an exemption from the registration requirement of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. Registered Notes are subject to certain restrictions on transfer, see the section “Subscription, Purchase and Distribution”.

An investment in Notes issued under the Programme involves certain risks. Prospective investors should have regard to the risks described in the section “Risk Factors” of this Information Memorandum.

Arranger



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NOTICE

Oversea-Chinese Banking Corporation Limited (the “**Arranger**”) has been appointed by the Issuer to arrange the Programme described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue the Notes denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, its subsidiaries, associated companies (if any), joint venture companies (if any), the Programme and the Notes. The Issuer confirms that the information contained in this Information Memorandum is true and accurate, that the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered, are based on all relevant considerations and facts existing at the date of this Information Memorandum, are honestly held by the Issuer, have been reached after considering all relevant circumstances and are based on reasonable assumptions, and that there are no other facts the omission of which would make any such information or expressions of opinion, expectation or intention, in light of the circumstances under which they were made, misleading in any material respect.

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 the section “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 (as defined herein) on the same or different issue dates. The Notes will be issued in bearer or registered form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Note (as defined herein) in bearer form or a Permanent Global Note (as defined herein) in bearer form or a registered Global Certificate (as defined herein) which will be deposited on the issue date with or registered in the name of, or in the name of a nominee of either CDP or a Common Depositary for Euroclear and Clearstream, Luxembourg or otherwise delivered as agreed between the Issuer and the relevant Dealer(s) (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s) and may be subject to redemption or purchase in whole or in part. The Notes may 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 Issuer and the relevant Dealer(s). 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 Conditions (as defined herein) of the Notes as amended and/or supplemented by the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

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 the Issuer, the Arranger, any of the Dealers, the Trustee or the Agents (as defined in the Trust Deed). 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 the Issuer or any of its subsidiaries, associated companies (if any) or joint venture companies (if any). The delivery of this Information Memorandum at any time does not imply that the information contained in it is correct at any time subsequent to this date. Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme and the issue of the Notes may be used for the purpose of, or constitutes an offer of, or solicitation or invitation by or on behalf of the Issuer, the Arranger, any of the Dealers, the Trustee or the Agents to subscribe for or purchase, the Notes 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 part thereof) or any such other document or information (or any part thereof) and the offer of the Notes in certain jurisdictions may be prohibited or restricted by law. Persons who distribute or publish this Information Memorandum (or any part thereof) or any such other document or information or into whose possession this Information Memorandum (or any part thereof) or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such prohibitions and restrictions and all applicable laws, orders, rules and regulations.

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 the Issuer, the Arranger, any of the Dealers, the Trustee or the Agents to subscribe for or purchase any of the Notes.

This Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes 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 Notes 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 or dissemination of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Notes 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 Issuer or any of its subsidiaries, associated companies (if any) or joint venture companies (if any) or in the information or any statement of fact herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arranger, the Dealers, the Trustee and the Agents have not independently verified the information contained in this Information Memorandum. None of the Issuer, the Arranger, any of the Dealers, the Trustee, the Agents or any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Notes or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer or any of its subsidiaries, associated companies (if any) or joint venture companies (if any). Further, none of the Arranger, any of the Dealers, the Trustee or the Agents makes any representation or warranty as to the Issuer or any of its subsidiaries, associated companies (if any) or joint venture companies (if any) as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum.

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 Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger, any of the Dealers, the Trustee or the Agents 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 Notes or as to the merits of the Notes or the subscription for, purchase or acquisition thereof. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries, associated companies (if any) and joint venture 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 Issuer and its subsidiaries, associated companies (if any) and joint venture companies (if any). Accordingly, notwithstanding anything herein, none of the Arranger, any of the Dealers, the Trustee, the Agents 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 Notes by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arranger, any of the Dealers, the Trustee or the Agents accept any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Arranger, any of the Dealers, the Trustee or the Agents or on its behalf in connection with the Issuer and the Group (as defined herein) or the issue and offering of the Notes. The Arranger, each Dealer, the Trustee and each Agent accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Information Memorandum or any such statement.

In connection with the issue of any Series of Notes, one or more Dealers named as stabilising manager(s) (the “**Stabilising Manager(s)**”) (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin at any time, on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Series of Notes and 60 days after the date of the allotment of the relevant Series of Notes. Any stabilisation action will be conducted in accordance with the law.

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: any supplement or amendment to this Information Memorandum issued by the Issuer (including each relevant Pricing Supplement). 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 Notes, 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 documents deemed incorporated by reference herein are available for inspection at the specified office of the Issuing and Paying Agent (as defined herein) during normal business hours.

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

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

The distribution of this Information Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Notes and distribution of this Information Memorandum set out under the section “Subscription, Purchase and Distribution” of this Information Memorandum.

Any person(s) who is/are invited to purchase or subscribe for the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes 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 Notes consult their own legal and other advisers before purchasing or acquiring the Notes. Prospective investors should pay attention to the risk factors set out in the section “Risk Factors”. Such persons are also advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of the Notes.

Notification under Section 309B of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be 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).

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend titled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend titled “**UK MiFIR Product Governance**” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealer(s) nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes 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**”). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (b) a customer within the meaning of Directive (EU) 2016/97 (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; or (c) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes 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 United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (b) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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”, “project”, “aim”, “seek”, “may”, “will”, “would”, “should” 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 the Issuer or the Group (including statements as to the Group’s revenue, profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical facts and including the financial forecasts, profit projections, statements as to the expansion plans of the Group, expected growth in 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 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 Group.

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

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Group to be materially different from the results, performance or achievements 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 other statements. The Issuer, the Arranger, the Dealers, the Trustee and the Agents do not represent or warrant that the actual future results, performance or achievements of the Group will be as discussed in those statements.

Further, the Issuer, the Arranger, the Dealers, the Trustee and the Agents 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 11 October 2021 made between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, Singapore Branch, as CDP issuing and paying agent, CDP calculation agent, CDP transfer agent and CDP registrar, (3) The Bank of New York Mellon, London Branch, as non-CDP issuing and paying agent and non-CDP calculation agent, (4) The Bank of New York Mellon SA/NV, Dublin Branch, as non-CDP transfer agent and non-CDP registrar, and (5) the Trustee, as trustee, as amended, varied or supplemented from time to time.
- “Arranger”** : Oversea-Chinese Banking Corporation Limited.
- “Bearer Notes”** : Notes in bearer form.
- “Business Day”** : In respect of each Note, (a) a day (other than a Saturday, Sunday or public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (b) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for general business in the country of the CDP Issuing and Paying Agent's or as the case may be, the Non-CDP Paying Agent's specified office and (c) (if a payment is to be made on that day):
- (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for general business in Singapore;
 - (ii) (in the case of Notes denominated in Euros) a day (other than a Saturday, Sunday or public holiday) on which the TARGET System is open for settlement in Euros;
 - (iii) (in the case of Notes denominated in Renminbi) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets settle payments in Renminbi and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Offshore Renminbi Centre; and
 - (iv) (in the case of Notes denominated in a currency other than Singapore dollars, Euros and Renminbi) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency.

“CDP” or the “Depository”	:	The Central Depository (Pte) Limited.
“CDP Calculation Agent”	:	The Bank of New York Mellon, Singapore Branch, or its successors in such capacity.
“CDP Issuing and Paying Agent”	:	The Bank of New York Mellon, Singapore Branch, or its successors in such capacity.
“CDP Registrar”	:	The Bank of New York Mellon, Singapore Branch, or its successors in such capacity.
“CDP System”	:	The computerised system operated by the Depository whereby Securities Accounts are maintained by Depositors with the Depository and, <i>inter alia</i> , transfers of the Notes are effected electronically between Securities Accounts.
“CDP Transfer Agent”	:	The Bank of New York Mellon, Singapore Branch, or its successors in such capacity.
“Certificate”	:	A registered certificate representing one or more Registered Notes of the same Series and, save as provided in the Conditions, comprising the entire holding by a holder of Registered Notes of that Series.
“Clearstream, Luxembourg”	:	Clearstream Banking S.A. and includes a reference to its successors and permitted assigns.
“Common Depository”	:	In relation to a Series of the Notes, a depository common to Euroclear and Clearstream, Luxembourg.
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, re-enacted or modified from time to time.
“Conditions”	:	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 Note or a Global Certificate, by the provisions of such Global Note 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 Notes of such Series and shall be endorsed on the Definitive Notes 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.
“Couponholders”	:	The holders of the Coupons.

“Coupons”	:	The bearer coupons appertaining to an interest or distribution bearing Bearer Note.
“Dealers”	:	Persons appointed as dealers under the Programme.
“Definitive Note”	:	A definitive Bearer Note having, where appropriate, Coupons and/or a Talon attached on issue.
“Depositors”	:	Persons (including Depository Agents) having any Notes standing to the credit of their Securities Accounts at that time.
“Depository Agent”	:	A corporation authorised by the Depository to maintain Sub-Accounts.
“EURIBOR”	:	Euro Interbank Offered Rate.
“Euro”	:	The lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.
“Euroclear”	:	Euroclear Bank SA/NV, and includes a reference to its successors and permitted assigns.
“FY”	:	Financial year ended 31 March.
“Global Certificate”	:	A global Certificate representing Registered Notes of one or more Tranches of the same Series that are registered in the name of, or in the name of a nominee of, (a) CDP, (b) the Common Depository and/or (c) any other clearing system.
“Global Note”	:	A global Note representing Bearer Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons or a Talon.
“Group”	:	The Issuer and its subsidiaries, taken as a whole.
“IRAS”	:	Inland Revenue Authority of Singapore.
“Issuer” or “NTU”	:	Nanyang Technological University.
“Issuing and Paying Agent”	:	(In the case of Notes cleared or to be cleared through the CDP System) the CDP Issuing and Paying Agent and (in the case of Non-CDP Notes) the Non-CDP Issuing and Paying Agent, or its successor in such capacity.
“ITA”	:	Income Tax Act, Chapter 134 of Singapore, as amended or modified from time to time.

“LIBOR”	:	London Interbank Offered Rate.
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended or modified from time to time.
“MAS”	:	The Monetary Authority of Singapore.
“Moody’s”	:	Moody’s Investors Service, Inc.
“Non-CDP Calculation Agent”	:	The Bank of New York Mellon, London Branch, or its successor in such capacity.
“Non-CDP Issuing and Paying Agent”	:	The Bank of New York Mellon, London Branch, or its successor in such capacity.
“Non-CDP Notes”	:	Each Series of Notes other than Notes which have been cleared or will be cleared through the CDP System.
“Non-CDP Registrar”	:	The Bank of New York Mellon SA/NV, Dublin Branch, or its successor in such capacity.
“Non-CDP Transfer Agent”	:	The Bank of New York Mellon SA/NV, Dublin Branch, or its successor in such capacity.
“Noteholders”	:	The holders of the Notes.
“Notes”	:	The multicurrency medium term notes of the Issuer to be issued by the Issuer under the Programme pursuant to the Programme Agreement and constituted by the Trust Deed (and shall, where the context so admits, include the Global Notes, the Global Certificates, the Definitive Notes and any related Coupons and Talons and the Certificates).
“Offshore Renminbi Centre”	:	The offshore Renminbi centre(s) specified as such in the applicable Pricing Supplement.
“Paying Agents”	:	The CDP Issuing and Paying Agent and the Non-CDP Issuing and Paying Agent, and such other or further institutions as may from time to time be appointed by the Issuer as paying agent for the Notes and Coupons.
“Permanent Global Note”	:	A Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note.
“Pricing Supplement”	:	In relation to a Tranche or Series of Notes, a pricing supplement, to be read in conjunction with this Information Memorandum, specifying the relevant issue details in relation to such Tranche or Series of Notes, as the case may be.

“Programme”	:	The S\$1,000,000,000 Multicurrency Medium Term Note Programme established by the Issuer pursuant to the Programme Agreement.
“Programme Agreement”	:	The Programme Agreement dated 11 October 2021 made between (1) the Issuer, as issuer, (2) Oversea-Chinese Banking Corporation Limited, as arranger, and (3) Oversea-Chinese Banking Corporation Limited, as dealer, as amended, varied or supplemented from time to time.
“Registered Notes”	:	Notes in registered form.
“Renminbi”	:	The lawful currency of the People’s Republic of China.
“Securities Account”	:	Securities account of a Depositor maintained with CDP (but does not include a Sub-Account).
“Securities Act”	:	Securities Act of 1933 of the United States, as amended.
“Series”	:	(1) (in relation to Notes 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 or distribution 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.
“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
“SFRS”	:	Singapore Financial Reporting Standards.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“SIBOR”	:	Singapore Interbank Offered Rate.
“SOR”	:	Swap Offer Rate.
“Sub-Account”	:	Securities sub-account maintained by a Depository Agent for its own account and for the account of its clients.
“subsidiary”	:	Any corporation which is for the time being, a subsidiary (within the meaning of Section 5 of the Companies Act).
“Talons”	:	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.

“TARGET System”	:	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.
“Temporary Global Note”	:	A Global Note representing Bearer Notes of one or more Tranches of the same Series on issue.
“Tranche”	:	Notes which are identical in all respects (including as to listing).
“Trust Deed”	:	The Trust Deed dated 11 October 2021 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended, varied or supplemented from time to time.
“Trustee”	:	The Bank of New York Mellon, Singapore Branch, or its successor in such capacity.
“United States” or “U.S.”	:	United States of America.
“S\$” and “cents”	:	Singapore dollars and cents respectively.
“US\$” or “US dollars”	:	United States dollars.
“%”	:	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.

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, the Agency Agreement and the relevant Pricing Supplement.

Issuer	:	Nanyang Technological University.
Arranger	:	Oversea-Chinese Banking Corporation Limited and/or such other Arrangers as may be appointed by the Issuer in accordance with the Programme Agreement.
Dealers	:	Oversea-Chinese Banking Corporation Limited and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Trustee	:	The Bank of New York Mellon, Singapore Branch.
CDP Issuing and Paying Agent, CDP Transfer Agent, CDP Registrar and CDP Calculation Agent	:	The Bank of New York Mellon, Singapore Branch.
Non-CDP Issuing and Paying Agent and Non-CDP Calculation Agent	:	The Bank of New York Mellon, London Branch.
Non-CDP Transfer Agent and Non-CDP Registrar	:	The Bank of New York Mellon SA/NV, Dublin Branch.
Description	:	S\$1,000,000,000 Multicurrency Medium Term Note Programme.
Programme Size	:	The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding at any time shall be S\$1,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, the Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Method of Issue	:	The Notes 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 minimum issue size for each Series shall be agreed between the Issuer and the relevant Dealer(s). The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

Issue Price	:	The Notes may be issued at par or at a discount, or premium, to par.
Maturities	:	Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer.
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.
Interest Basis	:	The Notes may bear interest at fixed, floating, variable or hybrid rates or such other rates as may be agreed between the Issuer and the relevant Dealer(s) 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	:	<p>Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series (in the case of Notes which are denominated in Singapore dollars) by reference to S\$ SWAP RATE or SORA or (in any other case) such other benchmark as may be agreed between the Issuer 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 Issuer and the relevant Dealer(s) prior to their issue.</p> <p>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 Issuer and the relevant Dealer(s).</p>
Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer 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 Issuer 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 Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to (in the case of Notes which are denominated in Singapore dollars) or S\$ SWAP RATE or SORA or (in any other case) such other benchmark as may be agreed between the Issuer and the relevant Dealer(s), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars or US dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer 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.
Form and Denomination of Notes	:	The Notes will be issued in bearer form or registered form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Note or a Permanent Global Note. Each Temporary Global Note may be deposited on the relevant issue date with CDP, the Common Depository and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Note or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Note may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes 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 Noteholder's entire holding of registered Notes of one Series.
Custody of the Notes	:	Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depository on behalf of Euroclear and Clearstream, Luxembourg.
Status of the Notes	:	The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves, and rank <i>pari passu</i> with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
Optional Redemption and Purchase	:	If so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, the Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes.

Redemption for Taxation
Reasons

: The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified thereon, 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 (determined in accordance with Condition 6(h) of the Notes) (together with interest accrued to (but excluding) the date fixed for redemption), if (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 of the Notes 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 or becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement, and (b) such obligations cannot be avoided by the Issuer 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 Issuer 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 Condition 6(f) of the Notes, the Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by a duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment or any such change in the application, interpretation or pronouncement. The Trustee and the Issuing and Paying Agent shall be entitled to accept and rely on 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.

Negative Pledge	:	<p>The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest upon the whole or any part of its present or future undertakings, assets or revenues (including any uncalled capital) to secure any Capital Market Indebtedness (as defined below), or to secure any guarantee or indemnity in respect of any Capital Market Indebtedness, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Capital Market Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.</p> <p>For the purpose of the section, “Capital Market Indebtedness” means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other debt securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.</p>
Financial Statements	:	<p>The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes or Coupons remains outstanding it will send to the Trustee as soon as available and in any event within 180 days after the end of each of its financial years (beginning with the current one), a copy in English of its annual report and audited accounts (containing the consolidated (if any) and unconsolidated balance sheets and profit and loss statements) of the Issuer and the Group as at the end of and for that financial year, provided that if any government authority has given a dispensation to extend the deadline by which the Issuer must file its statutory accounts, then the date by which the Issuer must send its annual report and audited consolidated financial statements to the Trustee under the Trust Deed shall also be extended to such deadline as shall be notified to the Trustee by the Issuer.</p>
Events of Default	:	See Condition 10 of the Notes.

Taxation	:	All payments in respect of the Notes and the Coupons by the Issuer 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 Issuer 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, save for certain exceptions. For further details, please see the section on “Taxation” herein.
Rating	:	The Issuer has been assigned an Issuer rating of “Aaa” by Moody’s. The Notes of each Tranche or Series issued under the Programme may be rated or unrated. When an issue of Notes is rated, such credit rating will not necessarily be the same as the credit rating applicable to the Issuer or the Programme. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension revision, downgrade or withdrawal at any time by the assigning rating agency.
Listing	:	Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.
Board lot size	:	The Notes will be traded in a minimum board lot size of not less than S\$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.
Selling Restrictions	:	For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, please see the section on “Subscription, Purchase and Distribution” herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
Governing Law and Jurisdiction	:	The Trust Deed, the Notes, the Coupons and the Talons will be governed by, and shall be construed in accordance with, the laws of Singapore.

The courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes, the Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Coupons or the Talons shall be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

RISK FACTORS

Prior to making an investment decision, prospective investors of the Notes should carefully consider, amongst other things, all the information set forth in this Information Memorandum including any documents incorporated by reference herein and the risk factors set out below.

The risk factors set out below do not purport to be complete or comprehensive of all the risk factors that may be involved in the business, assets, financial condition, results of operations, performance or prospects of the Issuer, and/or the Group or the properties owned by the Group or any decision to purchase, own or dispose of the Notes. Additional risk factors which the Issuer is currently unaware of may also impair its business, assets, financial condition, results of operations, performance or prospects. If any of the following risk factors develops into actual events, the business, assets, financial condition, performance or prospects of the Issuer and/or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Trust Deed and the Notes may be adversely affected and the investors may lose all or part of their investments in the Notes.

Limitations of this Information Memorandum

Prospective investors in the Notes should not rely on the information set out herein as the sole basis for any investment decision but should make their own investigations of the Issuer and the Group, prior to making an investment decision in relation to the Notes issued under the Programme.

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Notes may require in investigating the Issuer or the Group, prior to making an investment decision in relation to the Notes issued under the Programme.

Neither this Information Memorandum nor any document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered a recommendation by the Issuer, the Arranger, any of the Dealers, the Trustee or the Agents that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase any of the Notes.

This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Notes only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Notes is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, its subsidiaries, associated companies (if any) and/or joint venture companies (if any), the Arranger, any of the Dealers, the Trustee, the Agents or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or any additional information considered by it to be necessary in connection with its investment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing the Notes 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 should be, and shall be deemed to be, based solely on its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and/or the Group, the terms and conditions of the Notes 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 Notes.

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 the control of the Issuer. The forward-looking information in this Information Memorandum may prove inaccurate. Please see the section “Forward-looking Statements” of this Information Memorandum.

RISKS RELATING TO THE ISSUER AND THE GROUP’S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

NTU operates in a competitive environment

NTU’s financial position will be adversely affected if it is unable to compete effectively. There are five other autonomous universities in Singapore that offer courses that compete directly with those of NTU. The Singapore Institute of Technology was established in 2009 to provide polytechnic graduates with access to university education through joint programmes in partnership with polytechnics in Singapore and renowned overseas universities. The Singapore Institute of Management, which is the only national private university in Singapore, has also been offering undergraduate and postgraduate programs since 2005. All these universities compete with NTU to attract students pursuing undergraduate education in Singapore.

In furtherance of the Economic Development Board’s objective of making Singapore a ‘Global Schoolhouse’ to provide educational programmes of all types and at all levels, the Economic Development Board has been encouraging foreign universities to establish branch campuses in Singapore. These foreign universities include those specialising in the niche areas of business and management, such as INSEAD, which compete directly with NTU.

At the international level, NTU competes with universities in countries such as the United States, the United Kingdom and Australia. The universities in these countries continue to attract students from Singapore and Southeast Asia pursuing undergraduate education.

As a result, there can be no assurance that NTU will be able to compete successfully in the future against existing or potential competitors or that increased competition may not have a material adverse effect on its business and financial condition. With increasing competition, both at the local and international levels, NTU will have to step up its efforts to attract the best people to join its faculty and continually improve the curriculum and programmes it offers in order to attract the best students. NTU’s continued success depends on its ability to compete effectively with its existing and future competitors and its ability to rapidly adapt to changing market conditions and trends.

NTU’s operations are subject to changes in government policy, regulations and legislation

NTU relies substantially on government funding, gifts and donations for its operations. As a publicly-funded institution, NTU is accountable to the Singapore Government for the responsible utilisation of public funds in the pursuit of national objectives. Under the Debt-Grant funding framework, the Ministry of Education (“MOE”) will provide full or partial funding for the repayment of loans (both principal and interest) for projects approved by the MOE. The Singapore Government also encourages donations and gifts to NTU through matching funds and tax incentives. Therefore, changes in government policy, regulations and legislation may have a material and adverse effect on its business and financial condition.

Failure to retain the services of key personnel may affect NTU’s operations and results

NTU’s profitability, performance and growth depend on its ability to attract, retain and motivate high quality faculty members and their continued commitment. It is critical for NTU to have good faculty members who can carry out high-quality research and are also keen to teach, interact with and inspire students, so that NTU can maintain a high standard of teaching and produce graduates of good calibre. NTU’s continued success depends on its ability to retain the services of its key personnel. The loss of their services without suitable replacements and the inability to attract and retain qualified personnel may adversely affect NTU’s operations and financial results.

NTU may be affected by slowdowns in economic growth

The Singapore Government is a major source of funding for NTU. The Singapore Government's funding currently accounts for a majority of NTU's operating costs. As such, a decline in the Singapore economy may have an adverse effect on the Singapore Government funding support for NTU.

NTU may be affected by the limitations on the availability of funding from alternative sources

NTU actively seeks to diversify its sources of funding to supplement government funding. Current supplementary sources of funding include full-fee paying students, donations and gifts, endowment income, postgraduate professional programmes, non-degree executive programmes, industry contributions and external borrowings. In connection with its search for alternative funding, NTU may have to compete with other educational institutions for endowments and grants.

Potential impact of the Covid-19 pandemic

COVID-19, caused by the severe acute respiratory syndrome coronavirus 2 (commonly known as SARS-CoV-2), was first identified in China in December 2019 and has spread rapidly in almost all regions around the globe, resulting in a rapid deterioration of the political, socio-economic and financial situation globally.

NTU cannot predict (a) the duration or extent of the COVID-19 pandemic; (b) the duration or expansion of related business closings, public health orders, regulations and legislation; and (c) what effect the COVID-19 pandemic will continue to have on global, national and local economies, including whether a recession may be triggered.

The pandemic may cause an increase in expenditure and a reduction in income for universities in Singapore including NTU as follows:

- Enrolments for international students may be lower than pre-outbreak forecasts due to uncertainties surrounding modes of education delivery (e.g. online classes or a hybrid of online and face-to-face classes), campus closures, health and safety concerns and potential travel restrictions.
- If the university campus is partially or fully closed at the start of the academic year, students may opt to defer their semesters. NTU anticipates some shortfall in income from residences, catering and conferences as a result of lower student numbers, general economic slowdown and social distancing measures.
- Income from research funding could be delayed or deferred. Potential unproductive research costs as some grant extensions are unlikely to be funded.
- Additional costs are expected to be incurred as a result of mitigation strategies associated with COVID-19, e.g. higher information technology ("IT") costs to enable remote working, enhance the delivery of online education and assessments, and preparing the university campus and facilities for a safe re-entry.
- The risk of cyber-attacks has significantly increased as a result of work-from-home arrangements.

Reputational risk

NTU is a leading academic institution and has a reputation as a leading teaching and research institution. This reputation has been built up since its incorporation. NTU's reputation is an important factor in attracting the best academics and students. If, for example, the integrity of research, admissions, standards of teaching or faculty conduct were to be called into question, this would potentially damage NTU's reputation.

There is an increasing expectation from the Singapore Government that universities deliver research benefits to society in a range of forms including in relation to the economy, society, culture, public policy and services, health, the environment and quality of life. Failure by academic staff to engage with external stakeholders and demonstrate impact from their research and knowledge exchange activities could reduce access to research and knowledge exchange funding and damage NTU's institutional reputation. Additionally, failure to implement systems, processes and support structures to incentivise, support, monitor and capture this impact may lead to a competitive disadvantage compared to other universities. It will also reduce the opportunity for NTU to benefit from promoting its contribution to wider society.

The main risks to NTU's reputation include those arising from international collaborations, industrial relations, student dissatisfaction and compliance with national or international regulations.

Philanthropic donations and research funding are accepted from donors and funders who are subject to scrutiny to ensure that the acceptance of such funds is in NTU's best interests. The public perception of donors and funders may change, and this could have an adverse impact on the acceptability of the funds and NTU's reputation.

A failure to manage reputational risk effectively could therefore materially affect NTU's business and prospects.

Cybersecurity

NTU is exposed to the risk of cybersecurity threats, which have increased in recent times. Cybersecurity threats include ransomware, phishing, malware, website defacement, insider threats and data breaches. Such cybersecurity threats may cause disruptions to IT services provided to students, faculty and staff. Cyber-attacks leading to theft of confidential information may result in an increased risk of litigation, regulatory fines and penalties, and may have an adverse impact on the reputation of NTU.

The requirement for short term remote working for most staff as a result of the COVID-19 pandemic has increased the potential threats of email scams, more sophisticated phishing attacks and the need to bolster Virtual Private Network ("VPN") connectivity and security.

Disruptions to IT systems and computer networks

NTU may experience system disruptions to its computer systems and computer networks. The performance and reliability of NTU's IT infrastructure is important to its operations as it enables NTU to operate on a more optimal level. NTU's computer systems may be vulnerable to breakdowns, malfunction or disruption due to events beyond its control and there is no assurance that NTU will not suffer any damage or disruption caused by power outages, computer viruses, hardware and software failures, telecommunications failures and other similar events in the future. Any breakdown or disruption to any of these computer systems could have a material adverse effect on NTU's business and cost of operations.

Data Privacy

The Personal Data Protection Act 2012 of Singapore (the “**PDPA**”) regulates the collection, use and disclosure of personal data, and imposes certain obligations on NTU. Under the PDPA, the Personal Data Protection Commission may require NTU to pay a financial penalty for any intentional or negligent contravention of the data protection provisions contained in the PDPA. Any person who has suffered loss or damage as a result of the contravention of the PDPA may also take civil proceedings against NTU. While NTU has introduced policies and processes, including a Personal Data Protection Policy and a Data Governance Policy to protect the data privacy of its students, employees, stakeholders and external partners, there is a risk that its controls to protect personal data may not be effective in preventing unauthorised use and disclosure of personal data.

Failure to maintain the integrity of internal or external data could result in harm to NTU’s reputation or subject NTU to costs, liabilities, fines or lawsuits

NTU’s business involves collecting and retaining large volumes of internal and external data, including personal information as well as other types of information, and its various IT systems, networks and platforms store, process, and transmit such data. NTU also maintains information about various aspects of its business, including information relating to its financial position, operations and employees. Any system failures, computer and/or software viruses and malwares, computer breaches (including breaches by hackers) or other causes may result in operational problems with such IT systems, networks and/or platforms.

The integrity and protection of NTU’s student, employee and organisational data is critical to its business. NTU relies on information technology networks, systems and platforms, including the Internet and cloud services, to process, transmit and store electronic information and to manage or support a variety of its business processes, including financial transactions and maintenance of records, which may include the personally identifiable information of members of the NTU community. NTU also relies on commercially available systems, software, security tools and monitoring services to secure the storing, processing and transmitting of confidential information, such as individually identifiable information relating to banking accounts. NTU’s IT networks, systems and platforms, including software may be vulnerable to data theft and corruption and there is no assurance that such cybersecurity risks can be alleviated entirely. If such attacks were to occur, NTU may have its systems breached and its student, employee and organisational information compromised. Consequently, NTU may suffer a loss of consumer confidence and damage to its reputation and NTU may also be subject to liability claims or regulatory penalties. NTU may be subject to data protection or similar laws and regulations in jurisdictions in which NTU or its subsidiaries carry on business. Any theft, loss, fraudulent or unlawful use of student, employee or organisational data could harm NTU’s reputation or result in remedial and other costs, liabilities, fines or lawsuits.

NTU’s undergraduate student enrolments may decline

Singapore citizens and permanent residents form the majority of NTU’s undergraduate cohort. According to a report published in September 2020 by Singapore’s Department of Statistics, the yearly average number of resident births over the five years ending 2019 fell as compared to the preceding five years. Declining resident births may result in fewer qualified applications from Singapore citizens and permanent residents for places in NTU’s undergraduate programmes. If the shortfall is not matched by increased applications from international students, undergraduate enrolment at NTU may decline substantially in the future, especially if NTU seeks to maintain the same level and quality of students. A declining enrolment may materially and adversely affect NTU’s tuition fee income, scale of operations and financial performance.

RISKS RELATING TO THE NOTES

The Notes may not be a suitable investment for all investors

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

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable amendment or supplement to this Information Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal, distribution or interest payable in one or more currencies, or where the currency for principal, distribution or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets;
- understand thoroughly the nature of all those risks before making a decision to invest in the Notes; and
- 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.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risks or enhance yield with an understood, measured and appropriate addition of risks to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (a) Notes are legal investments for the potential investor, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Limited Liquidity of the Notes issued under the Programme

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

Notes may have no established trading market when issued and such a market may never develop. Even if a market for the Notes does develop, there can be no assurance as to the liquidity or sustainability of such market. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes would generally have a more limited secondary market and more price volatility than conventional debt securities. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances, investors may not be able to sell their Notes at their fair market value or at all.

Liquidity may have a severely adverse effect on the market value of the Notes. Although the issue of additional Notes may increase the liquidity of the Notes, there can be no assurance that the price of such Notes will not be adversely affected by the issue in the market of such additional Notes.

Although an application will be made for the listing and quotation of any Notes to be issued under the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, the market for investment grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Notes to be issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

Fluctuation of the market value of the Notes issued under the Programme

Trading prices of the Notes are influenced by numerous factors, including the operating results, the financial condition and/or the future prospects of the Issuer, its subsidiaries, its associated companies (if any) and/or its joint venture companies (if any), the market for similar securities, political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, its subsidiaries, its associated companies (if any) and/or its joint venture companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, its subsidiaries, its associated companies (if any) and/or its joint venture companies (if any) operate or have business dealings, could have a material adverse effect on the operating results, business, financial performance and/or the financial condition of the Issuer, its subsidiaries, its associated companies (if any) and/or its joint venture companies (if any).

Further, recent global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may also adversely affect the market price of any Series or Tranche of Notes.

Interest rate risk

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest or distribution payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Notes may rise. The Noteholders may enjoy a capital gain but interest or distribution payments received may be reinvested at lower prevailing interest rates.

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

Interest rates and indices which are deemed to be “benchmarks” (including LIBOR, EURIBOR, SOR or SIBOR) are the subject of recent national and international 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 Notes linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the “**EU Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union (“**EU**”). Among other things, it (a) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (b) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The EU Benchmarks Regulation, as it forms part of domestic law by virtue of the EUWA (the “**UK Benchmarks Regulation**”) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the “**FCA**”) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international 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.

Specifically, 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 FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

On 5 March 2021, the FCA announced, *inter alia*, the dates on which the various LIBOR rates in respect of various currencies will either cease to be provided or cease to be representative of their underlying market, with such end-date falling either on 31 December 2021 or by 30 June 2023.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rate.

As the SOR methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after June 2023 will impact the future sustainability of SOR. On 30 August 2019, the MAS announced that it had established an industry-led 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. Similarly, the Association of Banks in Singapore has also proposed to discontinue certain tenors for SIBOR and to amend the methodology for determining SIBOR. 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 June 2023 and more specifically, all lenders and borrowers are to cease the issuance of SOR-linked loans and securities that mature after end-2021. On 29 July 2021, the SC-STs published a report setting out updated timelines and key recommendations for the industry-wide transition of financial contracts away from the legacy use of SOR. The recommendations cover a wide spectrum of financial products across wholesale and retail markets, and aim to facilitate a smooth transition out of SOR contracts.

Investors should note that, subject further to the terms of the relevant Notes, such announcements set out in the preceding paragraphs may be construed as a relevant Benchmark Event (as defined in the Conditions) having occurred.

Such factors may have (without limitation) the following effects on certain benchmarks: (a) discouraging market participants from continuing to administer or contribute to a benchmark, (b) triggering changes in the rules or methodologies used in the benchmark and/or (c) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmark Regulations, as applicable, or any of the national or international reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The Conditions provide for certain fallback arrangements in the event that a published benchmark (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 benchmark replacement, 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 the relevant benchmark.

If, following the occurrence of a Benchmark Event, no benchmark replacement, successor rate or alternative rate is determined, the ultimate fallback for the purposes of calculation of (in the case of Floating Rate Notes) the rate of interest for a particular interest period may result in the rate of interest for the last preceding interest period being used. This may result in the effective application of a fixed rate for such Notes based on the previous applicable rate. Due to the uncertainty concerning the availability of benchmark replacements, successor rates and alternative rates and the involvement of an Independent Adviser and the potential for further regulatory developments, there is the risk that the relevant fallback provisions may not operate as intended at the relevant time.

The use of a benchmark replacement, successor rate or alternative rate (including with the application of an adjustment spread) may result in any Notes linked to or referencing the relevant benchmark replacement, successor rate or alternative rate performing differently (which may include payment of a lower rate of interest than they would if the relevant reference rate were to continue to apply in its current form).

Investors should be aware that, if SOR or SIBOR were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference SOR or SIBOR will be determined for the relevant period by the fallback provisions applicable to such Notes. Depending on the manner in which SOR or SIBOR is to be determined under the Conditions, this may in certain circumstances (a) be reliant upon the provision by reference banks of offered quotations for SOR or SIBOR which, depending on market circumstances, may not be available at the relevant time or (b) result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the relevant Screen Page. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference SOR or SIBOR.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. Please refer to the risk factor entitled “*The regulation and reform of “benchmark” rates of interest and indices may adversely affect the value of Notes linked to or referencing such “benchmarks”*” for further details of the recent interest rates and benchmarks reform.

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk free rates issued under the Programme. The Issuer may in the future also issue Notes referencing risk free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk free rate issued by it under the Programme. The development of risk free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which references any such risk free rate from time to time.

Furthermore, the basis of deriving certain risk free rates, such as SORA, may mean that interest on the Notes which reference any such risk free rate would only be capable of being determined after the end of the relevant observation period and immediately prior to the Interest Payment Date. It may be difficult for investors in Notes which reference any such risk free rate to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to SIBOR-linked securities, if Notes referencing SORA become due and payable as a result of an event of default under the Conditions, the rate of interest payable for the final Interest Period in respect of such Notes may only be determined on the date which the Notes become due and payable. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of risk free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk free rates. Since risk free rates are relatively new market indices, Notes linked to any such risk free rate may have no established trading market when issued, and an established trading market may never develop or may not be very

liquid. Market terms for debt securities indexed to any risk free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any risk free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes referencing such risk free rate. If the manner in which such risk free rate is calculated is changed, that change may result in a reduction of the amount of distribution payable on such Notes and the trading prices of such Notes.

Inflation risk

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns, as the principal repayment and interest or distribution payments on the Notes may not keep pace with inflation.

Notes may be issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from 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.

Modification

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

The terms and conditions of the Notes also provide that the Trustee may agree, without the consent of the Noteholders or Couponholders, to (a) any modification of any of the provisions of the Trust Deed or any of the other Issue Documents (as defined in 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 the Depository and/or any other clearing system in which the Notes may be held, and (b) 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 or any of the other Issue Documents 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 unless the Trustee agrees in writing, such modification, authorisation or waiver shall be notified by or on behalf of the Issuer to the Noteholders as soon as practicable (and in any event within 14 days of such modification, authorisation or waiver) in accordance with Condition 16 of the Notes.

The Notes may be represented by Global Notes or Global Certificates and holders of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System (as defined below)

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with or registered in the name of, or in the name of a nominee of, a Common Depositary, or lodged with CDP (each of Euroclear, Clearstream, Luxembourg and CDP and/or such other clearing system, a “**Clearing System**”). Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive Definitive Notes or Certificates. The relevant Clearing System will maintain records of their accountholders in relation to the Global Notes and Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through the relevant Clearing System.

While the Notes are represented by one or more Global Notes or Global Certificates, the Issuer will discharge its payment obligations under the Notes by making payments to the Common Depositary or, as the case may be, the CDP or such other clearing system, for distribution to their accountholders or, as the case may be, to the CDP Issuing and Paying Agent or, as the case may be, the Non-CDP Issuing and Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the relevant Notes. The Issuer bears no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes and Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes and the Global Certificates will not have a direct right under the Global Notes and the Global Certificates to take enforcement action against the Issuer in the event of a default or an enforcement event under the relevant Notes but will have to rely upon their rights under the Trust Deed.

Changes in market interest rates may adversely affect the value of fixed rate Notes

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of fixed rate Notes.

Exchange rate risks and exchange controls may result in Noteholders receiving less interest, distributions and/or principal than expected

The Issuer will pay principal and interest or distributions on the Notes in the currency specified. This presents certain risks relating to currency conversions if Noteholders’ financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the currency in which the Notes are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency in which the Notes are denominated or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the currency in which the Notes are denominated would decrease (a) the Investor’s Currency equivalent yield on the Notes, (b) the Investor’s Currency equivalent value of the principal payable on the Notes, if any, and (c) the Investor’s Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less principal, interest and/or distributions than expected, or no principal, interest and/or distributions at all.

The Notes are not secured

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the 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 Issuer.

Accordingly, on a winding-up or insolvency of the Issuer at any time prior to maturity of any Notes, the Noteholders and Couponholders will not have recourse to any specific assets of the Issuer as security for outstanding payment or other obligations under the Notes and/or Coupons owed to the Noteholders and Couponholders and there can be no assurance that there would be sufficient value in the assets of the Issuer, after meeting all claims ranking ahead of the Notes, to discharge all outstanding payment and other obligations under the Notes and/or Coupons owed to the Noteholders.

The value of the Notes could be adversely affected by a change in Singapore law or administrative practice

The terms and conditions of the Notes are based on Singapore law in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of this Information Memorandum and any such change could materially adversely impact the value of any Notes affected by it.

Performance of contractual obligations by the Issuer is dependent on other parties

The ability of the Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the Programme Agreement, the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the CDP Issuing and Paying Agent, the Non-CDP Issuing and Paying Agent, the CDP Calculation Agent, the Non-CDP Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, and the Non-CDP Registrar of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Noteholders and Couponholders.

Noteholders should be aware that Definitive Notes and Certificates which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade

In relation to any issue of Notes which have a denomination consisting of a minimum Denomination Amount (as specified in the applicable Pricing Supplement) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a Definitive Note or Certificate in respect of such holding (should Definitive Notes or Certificates be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Denomination Amounts. If Definitive Notes or Certificates are issued, holders should be aware that Definitive Notes or Certificates which have a denomination that is not an

integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Notes and Certificates will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote or attend meetings of Noteholders) in respect of such Notes.

The Trustee may request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including, without limitation, pursuant to Condition 11 of the Notes), the Trustee may request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes action on behalf of Noteholders. The Trustee shall not be obliged to take any such action if not first indemnified, secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken.

The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such action directly.

Application of Singapore insolvency and related laws may result in a material adverse effect on the Noteholders

There can be no assurance that the Issuer will not become bankrupt or insolvent or the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Noteholders.

Where the Issuer is insolvent or close to insolvent and the Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer. It may also be possible that if a company related to the Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer may also seek a moratorium even if the Issuer is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, additionally with the permission of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number representing 75% in value of creditors and the court approve such scheme. In respect of company-initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing 75% in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

Further to the amendments that took effect on 23 May 2017 (some of which have been highlighted above), the Insolvency, Restructuring and Dissolution Bill (the “**IRD Bill**” or as passed, the “**IRD Act**”) was passed in Parliament on 1 October 2018, and the IRD Act came into effect on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, a debenture. However, it may apply to related contracts that are not found to be directly connected with the Notes.

The Notes may be subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes issued by it, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate that is as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Issuer’s ability to comply with its obligation to repay the Notes may be dependent upon the earnings of, and distributions by, the members of the Group and future performance of the Group

The Issuer’s ability to comply with its obligation to repay the Notes may depend on the earnings of the Group and the distribution of funds amongst members of the Group, primarily in the form of dividends. Whether or not the members of the Group can make distributions to the Issuer will depend on distributable earnings, cash flow conditions, restrictions that may be contained in the debt instruments of its members, applicable law and other arrangements. These restrictions could reduce the amount of distributions that the Issuer receives from its members, which would restrict the Group’s ability to fund its business operations and the Issuer’s ability to comply with its payment obligations under the Notes.

Further, the ability of the Issuer to make scheduled principal, distribution or interest payments on its indebtedness, including the Notes, and to fund its growth aspirations, will depend on the Group’s future performance and its ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this section “Risk Factors”, many of which are beyond the control of the Issuer. If the Issuer’s future cash flow from operations and other capital resources are insufficient to pay its debt obligations, including the Notes, or to fund its other liquidity needs, it may be forced to sell assets, attempt to restructure or refinance its existing indebtedness. No assurance can be given that the Issuer would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

Credit ratings assigned are statements of opinion and not investment recommendations

Moody's has assigned NTU an Issuer rating of "Aaa". A credit rating is a statement of opinion and is not a recommendation to buy, sell or hold the Notes. The Notes of each Tranche or Series that may be issued under the Programme may be rated or unrated. Credit ratings are subject to suspension, revision, downgrade or withdrawal at any time by the assigning credit rating agency. Credit rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. Moreover, no assurances can be given that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the relevant credit rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit rating. Investors should consult their own financial or other professional adviser before making any decisions based on credit ratings. A suspension, revision or withdrawal at any time of the credit rating assigned to NTU, the Programme or the Notes may adversely affect the market price or liquidity of the Notes. Moreover, NTU's credit ratings do not reflect the potential impact related to market or other risks discussed in this section "Risk Factors". Please see the section "*Ratings*" of this Information Memorandum.

Singapore taxation risk

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 2023 are intended to be "qualifying debt securities" for the purpose of the ITA, subject to the fulfilment of certain conditions more particularly described in the "Singapore Taxation" section of this Information Memorandum.

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

Variable Rate Notes may have a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

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 (if any) issued in exchange for the Global Security(ies) or the Global Certificate(s) representing each Series. Either (a) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (b) 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. Unless otherwise stated, 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, and 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 (as amended, restated or supplemented from time to time, the **“Trust Deed”**) dated 11 October 2021 made between (1) Nanyang Technological University (the **“Issuer”**), as issuer, and (2) The Bank of New York Mellon, Singapore Branch (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 for the Noteholders (as defined below), and (where applicable) the Notes are issued with the benefit of a deed of covenant (as amended, varied or supplemented from time to time, the **“Deed of Covenant”**) dated 11 October 2021, relating to CDP Notes (as defined in the Trust Deed), executed by the Issuer. 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 Issuer has entered into an Agency Agreement (as amended, restated or supplemented from time to time, the **“Agency Agreement”**) dated 11 October 2021 made between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, Singapore Branch, as issuing and paying agent in respect of CDP Notes (in such capacity, the **“CDP Issuing and Paying Agent”**), transfer agent in respect of CDP Notes (in such capacity, the **“CDP Transfer Agent”**), registrar in respect of CDP Notes (in such capacity, the **“CDP Registrar”**) and calculation agent in respect of CDP Notes (in such capacity, the **“CDP Calculation Agent”**), (3) The Bank of New York Mellon, London Branch, as issuing and paying agent in respect of Notes cleared or to be cleared through Euroclear (as defined below) and/or Clearstream, Luxembourg (as defined below) (**“Non-CDP Notes”**) (in such capacity, the **“Non-CDP Issuing and Paying Agent”** and, together with the CDP Issuing and Paying Agent and any other issuing and paying agents that may be appointed, the **“Issuing and Paying Agents”** and the Issuing and Paying Agents together with any other paying agents, the **“Paying Agents”**) and as calculation agent in respect of Non-CDP Notes (in such capacity, the **“Non-CDP Calculation Agent”** and, together with the CDP Calculation Agent, the **“Calculation Agents”**), (4) The Bank of New York Mellon SA/NV, Dublin Branch, as transfer agent in respect of Non-CDP Notes (in such capacity, the **“Non-CDP Transfer Agent”** and, together with the CDP Transfer Agent and any other transfer agents that may be appointed, the **“Transfer Agents”**) and registrar in respect of Non-CDP Notes (in such capacity, the **“Non-CDP Registrar”** and, together with the CDP Registrar, the **“Registrars”**), and (5) the Trustee, as trustee. The Noteholders and the holders (the **“Couponholders”**) of the coupons (the **“Coupons”**) appertaining to the interest-bearing Notes 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 Deed of Covenant.

For the purposes of these Conditions, all references to (a) the Issuing and Paying Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Issuing and Paying Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Issuing and Paying Agent, (b) the Calculation Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Calculation Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Calculation Agent, (c) the Registrar shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Registrar and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Registrar, and (d) the Transfer Agent shall, in the case of a Series of CDP Notes, be deemed to be a reference to the CDP Transfer Agent and, in the case of a Series of Non-CDP Notes, be deemed to be a reference to the Non-CDP Transfer Agent, and (unless the context otherwise requires) all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the specified office of the Trustee for the time being and at the respective specified offices of the Issuing and Paying Agents for the time being upon prior written request and satisfactory proof of holdings.

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. Subject to applicable laws, in the case of Registered Notes, such Notes are in the Denomination Amount shown hereon, which may include a minimum denomination and higher integral multiples of a smaller amount, in each case, as specified in the applicable Pricing Supplement.
- (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**”) 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 and, where applicable, Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the 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, loss or forgery 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 below) or, as the case may be, a Global Certificate (as defined below), and such Global Security or Global Certificate is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), The Central Depository (Pte) Limited (the "**Depository**") and/or any other clearing system, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg, the Depository and/or such other clearing system as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream, Luxembourg, the Depository and/or such other clearing system as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save for manifest error) shall be treated by the Issuer, the Issuing and Paying Agents, the Calculation Agents, the Registrars, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or 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 Issuer, the Issuing and Paying Agents, the Calculation Agents, the Registrars, the Transfer Agents and all other agents of the 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 and held by Euroclear and/or Clearstream, Luxembourg, the Depository and/or any other clearing system will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, the Depository and/or such other clearing system.
- (iv) In these Conditions, "**Global Security**" means the relevant Temporary Global Security representing each Series or the relevant Permanent Global Security representing each Series, "**Global Certificate**" means the relevant Global Certificate representing each Series that is registered in the name of, or in the name of a nominee of, (1) a common depositary for Euroclear and/or Clearstream, Luxembourg, (2) the Depository and/or (3) any other clearing system, "**Noteholder**" means (subject to Condition 1(b)(iii) above) 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 (subject to Condition 1(b)(iii) above) 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 (aa) expressed to be consolidated and forming a single series and (bb) 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 Conditions 2(e) and 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 Issuer) duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may 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 Registered Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, 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. For the avoidance of doubt, a Registered Note may be registered only in the name of, and transferred only to, a named person or persons. No transfer of a Registered Note will be valid unless and until entered on the Register.
- (c) **Exercise of Options or Partial Redemption or Purchase in Respect of Registered Notes:** In the case of an exercise of the Issuer's or a Noteholders' option in respect of, or a partial redemption or purchase 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 or purchased. 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) only, "**business day**" means a day (other than a Saturday or Sunday or a public holiday) on which banks are open for business in the place of the specified office of the Registrar or the 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 Issuer, the Registrar or any other Transfer Agents, but upon payment 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 relevant Transfer Agent may require) in respect of such tax or governmental 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 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 seven days ending on (and including) any Record Date (as defined in Condition 7(b)(ii)).

3. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the 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 Issuer.

4. Negative Pledge and other Covenants

(a) Negative Pledge

The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest upon the whole or any part of its present or future undertakings, assets or revenues (including any uncalled capital) to secure any Capital Market Indebtedness, or to secure any guarantee or indemnity in respect of any Capital Market Indebtedness, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Capital Market Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the purposes of this Condition 4(a), “**Capital Market Indebtedness**” means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other debt securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

(b) Financial Statements

The Issuer has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes or Coupons remains outstanding it will send to the Trustee as soon as available and in any event within 180 days after the end of each of its financial years (beginning with the current one), a copy in English of its annual report and audited accounts (containing the consolidated (if any) and unconsolidated balance sheets and profit and loss statements) of the Issuer and the Group as at the end of and for that financial year, provided that if any government authority has given a dispensation to extend the deadline by which the Issuer must file its statutory accounts, then the date by which the Issuer must send its annual report and audited consolidated financial statements to the Trustee under the Trust Deed shall also be extended to such deadline as shall be notified to the Trustee by the Issuer.

5. Interest and Other Calculations

(I) Interest on Fixed Rate Notes

(a) Rate of Interest and Accrual

Each Fixed Rate Note bears interest on its principal amount outstanding from the Interest Commencement Date (as defined in Condition 5(VII)) in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Rate of Interest 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.

(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 (as defined in Condition 5(VII)) shown on the face of the Note.

(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 principal amount outstanding 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**"), unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest will be payable in arrear on the specified business day as set out in the relevant Pricing Supplement following each Interest Payment Date. Notwithstanding the foregoing, if Lockout is specified in the applicable Pricing Supplement in addition to Payment Delay, interest in respect of the final Interest Period will be payable in arrear on the final Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) 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 (as defined below) on the face of the Note 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 below) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period.

(b) Business Day Convention

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:

- (i) 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 (1) such date shall be brought forward to the immediately preceding business day and (2) 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;
- (ii) the Following Business Day Convention, such date shall be postponed to the next day that is a business day;
- (iii) 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
- (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(c) 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) Swap Rate (in which case such Note will be a Swap Rate Note) or SORA (in which case such Note will be a SORA Note) or in any other 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.

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

- (1) in the case of Floating Rate Notes which are Swap Rate Notes:

- (A) the Calculation Agent 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 11:00 hrs London Time” and 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 ABFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent 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 Bloomberg Screen Swap Offer and SIBOR (ABSIRFIX) Page under the column headed "SGD Swap Offer" (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);
- (C) if on any Interest Determination Date, no such rate is quoted on the Bloomberg Screen Swap Offer (ABFIX01) (or such other replacement page as aforesaid) or the Bloomberg Screen Swap Offer (ABFIX01) Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent 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, which is selected and notified by the Issuer (or an independent adviser appointed by it) to the Calculation Agent after taking into account the industry practice at that time, or which is published by such other relevant authority as the Issuer (or an independent adviser appointed by it) may select and notify to the Calculation Agent and as adjusted by the Spread (if any);
- (D) if on any Interest Determination Date, the Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (c)(ii)(1)(A), (c)(ii)(1)(B) and (c)(ii)(1)(C) above, the Rate of Interest shall be determined by the Calculation Agent 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 Issuer (or an independent adviser appointed by it) and notified to the Calculation Agent 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 Issuer (or an independent adviser appointed by it) 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 notified by the Issuer (or an independent adviser appointed by it) to the Calculation Agent, as adjusted by the Spread (if any); and

- (E) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (c)(ii)(1)(A) to (c)(ii)(1)(D) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraph (c)(ii)(1)(A), (c)(ii)(1)(B), (c)(ii)(1)(C) or (c)(ii)(1)(D) above shall have applied; and
- (2) in the case of Floating Rate Notes which are SORA Notes, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SORA (as defined below) plus or minus the Spread:
- (A) where Lockout is specified as the Observation Method in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards;

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_{t_i}}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“d” is the number of calendar days in the relevant Interest Period;

“d_o,” for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“i”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to, but excluding, the last Singapore Business Day in such Interest Period;

“Interest Determination Date” means the Singapore Business Day immediately following the Rate Cut-off Date;

“n_i,” for any Singapore Business Day “i”, is the number of calendar days from and including such Singapore Business Day “i” up to but excluding the following Singapore Business Day;

“p” means five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement);

“Rate Cut-Off Date” means, with respect to a Rate of Interest and Interest Period, the date falling “*p*” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period;

“Singapore Business Days” or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“SORA” means, in respect of any Singapore Business Day “*i*”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such Singapore Business Day “*i*”;

“SORA_{*i*}” means, in respect of any Singapore Business Day “*i*” falling in the relevant Interest Period:

- I. if such Singapore Business Day is a SORA Reset Date, the reference rate equal to SORA in respect of that Singapore Business Day; and
- II. if such Singapore Business Day is not a SORA Reset Date (being a Singapore Business Day falling in the Suspension Period), the reference rate equal to SORA in respect of the first Singapore Business Day falling in the Suspension Period (the **“Suspension Period SORA_{*i*}”**) (such first day of the Suspension Period coinciding with the Rate Cut-Off Date). For the avoidance of doubt, the Suspension Period SORA_{*i*} shall apply to each day falling in the relevant Suspension Period;

“SORA Reset Date” means, in relation to any Interest Period, each Singapore Business Day during such Interest Period, other than any Singapore Business Day falling in the Suspension Period corresponding with such Interest Period; and

“Suspension Period” means, in relation to any Interest Period, the period from (and including) the date falling “*p*” Singapore Business Days prior to the Interest Payment Date in respect of the relevant Interest Period (such Singapore Business Day coinciding with the Rate Cut-Off Date) to (but excluding) the Interest Payment Date of such Interest Period.

- (B) where Lookback is specified as the Observation Method in the applicable Pricing Supplement:

“Compounded Daily SORA” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for

the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_{t - \text{SBD}_i} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to, but excluding, the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period;

“**n_i**”, for any Singapore Business Day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Observation Period**” means, for the relevant Interest Period, the period from, and including, the date falling “**p**” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “**p**” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “**p**” Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“**p**” means five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement);

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “*i*”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such Singapore Business Day “*i*”; and

“**SORA_{*i* - x SBD}**” means, in respect of any Singapore Business Day “*i*” falling in the relevant Interest Period, the reference rate equal to SORA in respect of the Singapore Business Day falling “*p*” Singapore Business Days prior to the relevant Singapore Business Day “*i*”.

- (C) where Backward Shifted Observation Period is specified as the Observation Method in the applicable Pricing Supplement:

“**Compounded Daily SORA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{SORA}_{i-1} \times \frac{365}{d}}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Observation Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

“***i***”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to, but excluding, the last Singapore Business Day in such Observation Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Observation Period;

“ n_i ”, for any Singapore Business Day “ i ”, is the number of calendar days from and including such Singapore Business Day “ i ” up to but excluding the following Singapore Business Day;

“**Observation Period**” means, for the relevant Interest Period, the period from, and including, the date falling “ p ” Singapore Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling “ p ” Singapore Business Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling “ p ” Singapore Business Days prior to such earlier date, if any, on which the Notes become due and payable);

“ p ” means five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement);

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “ i ”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such Singapore Business Day “ i ”; and

“**SORA_i**” means, in respect of any Singapore Business Day “ i ” falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

- (D) where Payment Delay is specified as the Observation Method in the applicable Pricing Supplement:

“**Compounded Daily SORA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SORA_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Interest Period;

“**d_o**”, for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

“**i**”, for the relevant Interest Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to, but excluding, the last Singapore Business Day in such Interest Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period provided that the Interest Determination Date with respect to the final Interest Period will be the Rate Cut-Off Date;

“**n_i**”, for any day “**i**”, is the number of calendar days from and including such Singapore Business Day “**i**” up to but excluding the following Singapore Business Day;

“**Rate Cut-Off Date**” means the date that is five Singapore Business Days (or such number of Singapore Business Days as specified in the applicable Pricing Supplement) prior to the Maturity Date or the relevant redemption date, as applicable;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**SORA**” means, in respect of any Singapore Business Day “**i**”, a reference rate equal to the daily Singapore Overnight Rate Average published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “**i**”; and

“**SORA_i**” means, in respect of any Singapore Business Day “**i**” falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the purposes of calculating Compounded Daily SORA with respect to the final Interest Period ending on the Maturity Date or the redemption date, the level of SORA for each Singapore Business Day in the period from (and including) the Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant redemption date, as applicable, shall be the level of SORA in respect of such Rate Cut-Off Date.

- (E) If, subject to Condition 5(VI), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day “*T*”, SORA in respect of such day “*T*” has not been published and a Benchmark Event has not occurred, then SORA for that day “*T*” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (F) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 5(VI), the Rate of Interest shall be:
 - I. that determined as at the last preceding Interest Determination Date or, as the case may be, Rate Cut-off Date (though substituting, where a different Spread (if any) or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Period in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or
 - II. if there is no such preceding Interest Determination Date or, as the case may be, Rate Cut-off Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Spread or Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period (if any)).

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SORA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (3) in the case of Floating Rate Notes which are not Swap Rate Notes or SORA Notes or which are denominated in a currency other than Singapore dollars, the Calculation Agent 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 Notes 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 paragraph (c)(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 (c)(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 Calculation Agent 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 notified by the Issuer (or an independent adviser appointed by it) to the Calculation Agent, as adjusted by the Spread (if any);
 - (C) if paragraph (c)(ii)(3)(B) applies and 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; and
 - (D) if the Calculation Agent is unable to determine the Rate of Interest for an Interest Period in accordance with paragraphs (c)(ii)(3)(A) to (c)(ii)(3)(C) above, the Rate of Interest for such Interest Period shall be the Rate of Interest in effect for the last preceding Interest Period to which paragraphs (c)(ii)(3)(A), (c)(ii)(3)(B) or (c)(ii)(3)(C) above shall have applied.
- (iii) On the last day of each Interest Period, (except as otherwise specified in the applicable Pricing Supplement) the 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 as determined in accordance with the foregoing 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.

- (v) If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is less than such Minimum Rate of Interest, the rate of Interest for such Interest Period shall be such Minimum Rate of Interest.
- (vi) If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 5(II)(b) is more than such Maximum Rate of Interest, the rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) 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 (d).
- (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 (d)(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 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 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 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 Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, an Agreed Rate in respect of such Variable Rate Note for such Interest Period and, in the event of the 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 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 Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent 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 or cause the Relevant Dealer to notify the Issuing and Paying Agent and the Calculation Agent 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) Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or SORA (in which case such Variable Rate Note(s) will be SORA 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 Calculation Agent in accordance with the provisions of Condition 5(II)(c)(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 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 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 as determined in accordance with the foregoing 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.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its principal amount outstanding 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 principal amount outstanding from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Rate of Interest 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) 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 shown on the face of the Note 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 principal amount outstanding from the first day of the Floating Rate Period, and such interest will be payable in arrear on each Interest Payment Date, unless Payment Delay is specified in the applicable Pricing Supplement for a SORA Note, in which case interest will be payable in arrear on the specified business day as set out in the relevant Pricing Supplement following each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) 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 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).
- (ii) The provisions of Condition 5(II)(c) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(d) Business Day Convention

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:

- (i) 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 (1) such date shall be brought forward to the immediately preceding business day and (2) 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;

- (ii) the Following Business Day Convention, such date shall be postponed to the next day that is a business day;
- (iii) 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
- (iv) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(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 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 determined in accordance with Condition 6(h)).

(V) Calculations

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

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Period or make such determination or calculation, as the case may be. The amount of interest payable per Calculation Amount 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 Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders.

(b) Accrual of interest

Interest will cease to accrue on each Note from (and including) the due date for redemption thereof unless, upon due presentation thereof 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 will continue to accrue (as well after as before judgment) at the Rate of Interest and in the manner provided in this Condition 5 and the Agency Agreement to (but excluding) the Relevant Date (as defined in Condition 8).

(c) Notification

The Calculation Agent 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 Registrar and the Issuer not later than four business days after the Interest Determination Date. In the case of Floating Rate Notes, if so required by the Issuer, the Issuing and Paying Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 16 as soon as possible after their determination. 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 Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the 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 need to be made unless the Trustee requires otherwise.

(d) Failure to Determine or Calculate Rate of Interest

If the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period, the Issuer shall notify the Trustee and the Issuing and Paying Agent of this failure and promptly appoint an alternative Calculation Agent. In doing so, the alternative Calculation Agent 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. If the Issuer fails to so appoint, the Notes will, for the relevant Interest Period, bear interest at the rate in effect for the last preceding Interest Period to which Condition 5(II) and 5(III)(c) above shall have applied and the Issuing and Paying Agent will determine the relevant Interest Amount.

(e) Calculation Agent and Reference Banks

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

(VI) Benchmark Discontinuation and Replacement

(a) Independent Adviser

Notwithstanding the provisions above in this Condition 5, if a Benchmark Event occurs in relation to an Original Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (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 the Benchmark Replacement (in accordance with Condition 5(VI)(b)) and an Adjustment Spread, if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)).

An Independent Adviser appointed pursuant to this Condition 5(VI) 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 Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders 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 5(VI).

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 the Benchmark Replacement prior to the relevant Interest Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 5(VI)(b)) and an Adjustment Spread, if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)).

If the Issuer is unable to or does not determine the Benchmark Replacement by ten business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the relevant current Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Spread or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Spread or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant current Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 5(VI).

(b) Benchmark Replacement

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) shall (subject to adjustments as provided in Condition 5(VI)(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(VI)).

(c) Adjustment Spread

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines:

- (i) that an Adjustment Spread is required to be applied to the Benchmark Replacement; and
- (ii) the quantum of, or a formula or methodology for, determining such Adjustment Spread,

then such Adjustment Spread shall be applied to the Benchmark Replacement.

(d) Benchmark Amendments

If the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines:

- (i) that Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread; and
- (ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(VI)(e), without any requirement for the consent or approval of Noteholders vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Calculation Agent) the Calculation Agent of a certificate signed by a duly authorised signatory of the Issuer pursuant to Condition 5(VI)(e), the Trustee, the Issuing and Paying Agent and (if applicable) the Calculation Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in using commercially reasonable endeavours in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed or agreement supplemental to or amending the Trust Deed, the Agency Agreement and these Conditions), provided that the Trustee, the Issuing and Paying Agent and (if applicable) the Calculation Agent shall not be obliged so to concur if in its opinion doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee, the Issuing and Paying Agent or the Calculation Agent (as the case may be) in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) or the Agency Agreement in any way.

For the avoidance of doubt, the Trustee, the Calculation Agent, the Transfer Agents, the Registrar and the Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(VI). Noteholder consent shall not be required in connection with effecting the Benchmark Replacement or such other changes, including for the execution of any documents or other steps by the Trustee, the Calculation Agent, the Paying Agents, the Registrar or the Transfer Agents (if required).

In connection with any such variation in accordance with this Condition 5(VI)(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(e) Notices, etc.

Any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5(VI) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Calculation Agent) the Calculation Agent a certificate signed by a duly authorised signatory of the Issuer:

- (i) confirming (1) that a Benchmark Event has occurred, (2) the Benchmark Replacement, (3) where applicable, any Adjustment Spread and/or (4) the specific terms of any Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(VI); and

- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Trustee, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent and (if the Benchmark Amendments affect the Calculation Agent) the Calculation Agent shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. Further, none of the Trustee, the Paying Agents, the Calculation Agent, the Registrar or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to the Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard. The Benchmark Replacement, the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Trustee's, (if the Benchmark Amendments affect the Issuing and Paying Agent) the Issuing and Paying Agent's and (if the Benchmark Amendments affect the Calculation Agent) the Calculation Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders and the Couponholders.

(f) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 5(VI)(a), 5(VI)(b), 5(VI)(c) and 5(VI)(d), the Original Reference Rate and the fallback provisions provided for in Condition 5, as applicable, will continue to apply unless and until the Trustee, the Paying Agents and the Calculation Agent have been notified of the Benchmark Replacement, and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 5(VI)(e).

(g) Definitions

As used in this Condition 5(VI):

"Adjustment Spread" means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) the formula or methodology for calculating a spread, in either case, which the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:
 - (1) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body; or
 - (2) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or

- (3) is determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes;

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines in accordance with Condition 5(VI)(b) has replaced the Original Reference Rate for the Corresponding Tenor in customary market usage in the international or if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same currency as the Notes (including, but not limited to applicable government bonds);

“Benchmark Amendments” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period, any other amendments to these Conditions, the Trust Deed and/or the Agency Agreement, and other administrative matters) that the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a))) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is reasonably necessary);

“Benchmark Event” means one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or

- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date within the following six months, be deemed to be no longer representative; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur:

- (a) in the case of paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be;
- (b) in the case of paragraph (iv) above, on the date of the prohibition or restriction of use of the Original Reference Rate; and
- (c) in the case of paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed to no longer be) representative and which is specified in the relevant public statement,

and, in each case, not the date of the relevant public statement;

“Benchmark Replacement” means the Interpolated Benchmark, provided that if the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) cannot determine the Interpolated Benchmark, then “Benchmark Replacement” means the first alternative set forth in the order below that can be determined by the Independent Adviser (in consultation with the Issuer) or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be):

- (1) the Successor Rate;
- (2) the ISDA Fallback Rate; and
- (3) the Alternative Rate;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Original Reference Rate;

“Independent Adviser” means an independent financial institution of good repute or an independent financial adviser with appropriate expertise or with experience in the local or international debt capital markets appointed by and at the cost of the Issuer under Condition 5(VI)(a);

“Interpolated Benchmark” with respect to the Original Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (i) the Original Reference Rate for the longest period (for which the Original Reference Rate is available) that is shorter than the Corresponding Tenor and (ii) the Original Reference Rate for the shortest period (for which the Original Reference Rate is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment (which may be positive or negative value or zero) that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivative transactions referencing the Original Reference Rate in the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes, provided that if a Benchmark Event has occurred with respect to the then-current Original Reference Rate, then Original Reference Rate means the applicable Benchmark Replacement;

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
 - (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
 - (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
 - (3) a group of the aforementioned central banks or other supervisory authorities; or
 - (4) the Financial Stability Board or any part thereof; and

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement for the Original Reference Rate for the Corresponding Tenor.

(VII) Definitions

As used in these Conditions:

“Agreed Rate” means, in the case of any Variable Rate Note, the Rate of Interest in respect of that Variable Rate Note payable on the last day of an Interest Period relating to that Variable Rate Note;

“Agreed Yield” means, in the case of any Variable Rate Note, the interest payable in respect of that Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note;

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

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

- (a) a day (other than a Saturday, Sunday or public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating;
- (b) a day (other than a Saturday, Sunday or 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
- (c) if a payment is to be made on that day:
 - (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for general business in Singapore;
 - (ii) (in the case of Notes denominated in Euros) a day (other than a Saturday, Sunday or public holiday) on which the TARGET System is open for settlement in Euros;
 - (iii) (in the case of Notes denominated in Renminbi) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets settle payments in Renminbi and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Offshore Renminbi Centre; and
 - (iv) (in the case of Notes denominated in a currency other than Singapore dollars, Euros and Renminbi) a day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are open for general business in Singapore and 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;

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with Condition 5:

- (a) if “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (b) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period in respect of which payment is being made divided by 360;
- (c) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period in respect of which payment is being made divided by 365; and
- (d) if “30/360” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

“**Euro**” means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

“**Interest Amount**” means, in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period;

“**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;

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“**Offshore Renminbi Centre**” means the offshore Renminbi centre(s) specified as such in the applicable Pricing Supplement;

“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 to by the Calculation Agent;

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

“Reference Banks” means the institutions specified as such hereon or, if none, three major banks selected by the Issuer (or an independent adviser appointed by it) in the interbank market that is 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 (as defined in the Trust Deed) specified in the Pricing Supplement with whom the 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 with which the relevant Benchmark is most closely connected or, if none is so connected, 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 interbank market in the Relevant Financial Centre;

“Renminbi” means the lawful currency of the People’s Republic of China;

“Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters and the Bloomberg agency) 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.

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 the Issuer

If so provided hereon, the 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 Issuer accordingly. To exercise such option, the 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 or, as the case may be, the Registrar for cancellation. The Notes so purchased, while held by or on behalf of the 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 Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of such Notes.

(c) Purchase at the Option of the Noteholders

- (i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the 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 to be purchased (together with all unmatured Coupons and unexchanged Talons, if any) 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 the 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 such Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Variable Rate Note (together with all unmatured Coupons and unexchanged Talons, if any) 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 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 Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit (in the case of Bearer Notes) such Note to be purchased (together with all unmatured Coupons and unexchanged Talons, if any) 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 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 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, if any) 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 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 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 or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to (but excluding) 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 Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the 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 the Noteholders

If so provided hereon, the 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 (but excluding) 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, if any) 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 the 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 Transfer Agent or the 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 Issuer.

(f) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the 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 (determined in accordance with Condition 6(h) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer 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 or becomes effective on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer 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 Issuer 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 Issuer shall deliver to the Trustee and the Issuing and Paying Agent a certificate signed by a duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment or any such change in the application, interpretation or pronouncement. The Trustee and the Issuing and Paying Agent shall be entitled to accept and rely on 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 Issuer or any of its related corporations may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons, if any, relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives. The Notes so purchased, while held by or on behalf of the Issuer, and/or any of its related corporations 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.

Notes purchased by the Issuer or any of its related corporations may be surrendered by the purchaser through the Issuer to, in the case of Bearer Notes, the Issuing and Paying Agent and, in the case of Registered Notes, the Registrar for cancellation or may at the option of the Issuer or, as the case may be, the relevant related corporations 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 on the face of the Note.

(i) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its related corporations 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, if any, 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 Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons, if any, 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 (which shall include the Redemption Amount and the Early Redemption Amount) in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or, as the case may be, Coupons:

- (i) (in the case of payments in a currency other than Euro or Renminbi) by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency;

- (ii) (in the case of payments in Euro) by transfer to a Euro account maintained by or on behalf of the holder with a bank in the principal financial centre for Euro; and
- (iii) (in the case of payments in Renminbi) by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in the Offshore Renminbi Centre which processes payments in Renminbi in the Offshore Renminbi Centre.

(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 the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b)(ii).
- (ii) Interest on Registered Notes shall be paid to the person shown on the Register as the holder thereof 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:
 - (1) (in the case of payments in a currency other than Euro or Renminbi) by transfer to an account maintained by the holder in that currency with a bank in the principal financial centre for that currency;
 - (2) (in the case of payments in Euro) by transfer to a Euro account maintained by or on behalf of the holder with a bank in the principal financial centre for Euro; and
 - (3) (in the case of payments in Renminbi) by transfer to a Renminbi account maintained by or on behalf of the holder with a bank in the Offshore Renminbi Centre which processes payments in Renminbi in the Offshore Renminbi Centre.

(c) Payments subject to law etc.

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 as amended (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto, 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 CDP Issuing and Paying Agent, the Non-CDP Issuing and Paying Agent, the CDP Calculation Agent, the Non-CDP Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar and the Non-CDP Registrar initially appointed by the Issuer and its specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the CDP Issuing and Paying Agent, the Non-CDP Issuing and Paying Agent, the CDP Calculation Agent, the Non-CDP Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar and the Non-CDP Registrar and to appoint additional or other paying agents, calculation agents, transfer agents or registrars, provided that they will at all times maintain an Issuing and Paying Agent, a Calculation Agent, a Transfer Agent in relation to Registered Notes and a Registrar in relation to Registered Notes.

Notice of any such change in appointment or any change of any specified office will be given to the Noteholders within the period specified in the Agency Agreement in accordance with Condition 16.

The Agency Agreement may be amended by the Issuer, the CDP Issuing and Paying Agent, the Non-CDP Issuing and Paying Agent, the CDP Calculation Agent, the Non-CDP Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee, 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 Issuer, the CDP Issuing and Paying Agent, the Non-CDP Issuing and Paying Agent, the CDP Calculation Agent, the Non-CDP Calculation Agent, the CDP Transfer Agent, the Non-CDP Transfer Agent, the CDP Registrar, the Non-CDP Registrar and the Trustee may mutually deem necessary or desirable and which does not, in the opinion of the Issuer and the Trustee, adversely affect the interests of the holders of the Notes or the Coupons. Any such modification shall be binding on the Noteholders and the Couponholders, and unless the Trustee agrees in writing, the Issuer shall cause such modification to be notified to the Noteholders and the Couponholders as soon as practicable and in any event within 14 days of the modification in accordance with Condition 16.

(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 five 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 Note 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 of such Note shall be made only against the provision of such indemnity as the 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 (but excluding any Coupons that may have become void pursuant to Condition 9) (and if necessary another Talon for a further Coupon sheet).

(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 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 one per cent. per annum above (in the case of Notes other than Variable Rate Notes and Zero Coupon Notes) the Rate of Interest applicable to such Note, (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. 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 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 shown on the face of the Note and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

8. Taxation

All payments in respect of the Notes and the Coupons by the Issuer 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 Issuer 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);

- (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; or
- (c) by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring compliance with any statutory requirements or by making or procuring the making of a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note or Coupon is presented for payment.

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes for, or on account of, any withholding tax imposed or deduction required pursuant to any agreements described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law, regulation or directive implementing an intergovernmental approach thereto.

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 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 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 five years from the appropriate Relevant Date for payment.

10. Events of Default

If any of the following events (“**Events of Default**”) occurs and is continuing (provided that nothing herein shall restrict the Trustee from exercising its rights under this Condition 10 where an Event of Default has occurred and is continuing and the Issuer has not begun seeking or is in the process of seeking but has not yet obtained a waiver), the Trustee at its discretion may (but is not obliged to), and if so requested in writing by holders in writing of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, in each case, subject to it being indemnified and/or secured and/or pre-funded to its satisfaction give notice in writing to the 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 Issuer does not pay any principal or any interest payable by it under any of the Notes at the place at and in the currency in which it is expressed to be payable when due and such default continues for five business days after the due date;

- (b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents (as defined in the Trust Deed) or any of the Notes and if that default is capable of remedy, it is not remedied within 30 days of the Trustee giving written notice of the failure to perform or comply to the Issuer;
- (c)
 - (i) any other indebtedness of the Issuer in respect of borrowed moneys is or is declared to be due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due within any originally applicable grace period in any agreement in relation to that indebtedness; or
 - (ii) the Issuer fails to pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys,

provided however that no Event of Default will occur under paragraph (c)(i) or (c)(ii) above if the aggregate amount of indebtedness for borrowed moneys or guarantee of indebtedness for borrowed moneys falling within paragraphs (c)(i) and (c)(ii) above is less than S\$50,000,000 (or its equivalent in any other currency or currencies);

- (d) the Issuer is (or is deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or expressly declares its intention to stop or suspend payment of all or any material part of its indebtedness, proposes or enters into any agreement or arrangement for the deferral, rescheduling or other readjustment of all or any material part of its indebtedness (or of any material part which it will otherwise be unable to pay when due), applies for a moratorium in respect of or affecting all or any part of its indebtedness, 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, effected, declared or otherwise (by operation of law) arises in respect of or affecting all or any material part of the indebtedness or property of the Issuer;
- (e) a distress, attachment, execution or other legal process (other than proceedings which are of a frivolous nature and which are being disputed in good faith and by appropriate proceedings) is levied, enforced or sued out on or against all or any material part of the assets of the Issuer and is not removed, dismissed, discharged or stayed within 30 days;
- (f) any security on or over the whole or any material part of the assets of the Issuer becomes enforceable;
- (g) any application is made, meeting is convened, court order is made, resolution is passed or any other procedure or proceeding is taken for the winding-up or dissolution of the Issuer or for the appointment of a liquidator (including a provisional liquidator), receiver, manager, judicial manager, trustee, administrator, agent or similar officer (in each case, including any provisional, interim or temporary officer or appointee) of the Issuer or over the whole or any material part of the assets of the Issuer, taken as a whole, provided that nothing in this paragraph shall constitute an Event of Default if the winding-up or dissolution is for the purposes of, or in connection with a scheme of arrangement, amalgamation, reconstruction, merger, or consolidation (i) not involving bankruptcy or insolvency, (ii) where the Issuer is the surviving entity and (iii) which does not have a material adverse effect on the Issuer;
- (h) the Issuer ceases to carry on its business as an education provider;
- (i) any step is taken by any governmental authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any material part of the assets of the Issuer;

- (j) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 13.3 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 any condition in or relating to any such consent is not complied with and if that failure is capable of remedy, such failure continues to be unremedied for a period of 30 days after notice of that default has been given to the Issuer by the Trustee requiring that failure to be remedied (unless that consent or condition is no longer required or applicable);
- (k) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Issue Documents or any of the Notes;
- (l) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;
- (m) any litigation, arbitration or administrative proceeding against the Issuer is current or pending to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes;
- (n) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (d), (e), (f), (g) or (i); and
- (o) the Issuer 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:

- (1) any reference to an Event of Default or a Potential Event of Default being continuing means that such Event of Default or Potential Event of Default has not been cured or waived; and
- (2) “**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 an Event of Default has occurred and is continuing (provided that nothing herein shall restrict the Trustee from exercising its rights under this Condition 11 where an Event of Default has occurred and is continuing and the Issuer has not begun seeking or is in the process of seeking but has not yet obtained a waiver) or after the Notes shall have become due and payable (taking into account any originally applicable grace period, where applicable), the Trustee may, but is not obliged to, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, and/or to enforce the provisions of the Issue Documents 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 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer 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.

The Trustee shall not be deemed to be responsible or liable to any Noteholder or Couponholder or the Issuer for taking or refraining from taking any such steps as set out in this Condition 11.

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 or the Issuer at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded 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 or (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, 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 (but is not obliged to) agree (and is entitled to rely on an external legal, financial or professional advice or opinion for this purpose), without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or any of the other Issue Documents 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, Clearstream, Luxembourg, 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 or any of the other Issue Documents 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, unless the Trustee agrees in writing, such modification, authorisation or waiver shall be notified by or on behalf of the Issuer to the Noteholders as soon as practicable (and in any event within 14 days of such modification, authorisation or waiver) in accordance with Condition 16.

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, Certificates, Coupons and Talons

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, 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 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 costs, expenses and duties incurred in connection therewith and on such terms as to evidence, undertaking, 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 Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding notes of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 14 and forming a single series with the Notes. Any further notes forming a single series with the outstanding notes of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other series where the Trustee so decides.

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 and from taking action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee or any corporation related to it to enter into business transactions with the Issuer or any of its related corporations or affiliates without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

Each Noteholder and Couponholder 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 the Issuer, and the Trustee shall not at any time have any responsibility for the same and each Noteholder and Couponholder shall not rely on the Trustee in respect thereof.

The Trustee may rely without liability to the Noteholders on any report, confirmation or certificate or any advice of any accountants, financial advisers, legal advisers, financial institutions or any other expert, whether or not addressed to it and whether or not their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise.

16. Notices

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 Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders will be valid if (a) published in a leading newspaper in the English language of general circulation in Singapore (it is expected that such publication will be made in The Business Times) or (b) an announcement is made through the internet-based submission system operated by the SGX-ST (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). 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 or internet-based submission system as provided above. 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 Notes 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, the Depository and/or any other clearing system, there may be substituted for such publication in such newspapers or announcement through the internet-based submission system operated by the SGX-ST the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg, (subject to the agreement of the Depository) the Depository and/or such other clearing system for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require, notice will in any event be published in accordance with the first paragraph above. 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, the Depository and/or such other clearing system.

Notices to be given by any Noteholder pursuant hereto (including to the 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, the Depository and/or such other clearing system in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar and Euroclear, Clearstream, Luxembourg, the Depository and/or such other clearing system may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

17. 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.

18. Governing Law and Jurisdiction

(a) Governing Law

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

(b) Jurisdiction

The courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes, the Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Coupons or the Talons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) No Immunity

The Issuer agrees that in any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes, the Coupons or Talons against it or any of its assets, no immunity from such legal action or proceedings (which shall include, without limitation, suit, attachment prior to award, other attachment, the obtaining of an award, judgment, execution or other enforcement) shall be claimed by or on behalf of the Issuer or with respect to any of its assets and irrevocably waives any such right of immunity which it or its assets now have or may hereafter acquire or which may be attributed to it or its assets and consents generally in respect of any such legal action or proceedings to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order, award or judgment which may be made or given in such action or proceedings.

**CDP Issuing and Paying Agent, CDP Calculation Agent, CDP Transfer Agent and
CDP Registrar**

The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#02-01 Millennia Tower
Singapore 039192

Non-CDP Issuing and Paying Agent and Non-CDP Calculation Agent

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Non-CDP Transfer Agent and Non-CDP Registrar

The Bank of New York Mellon SA/NV, Dublin Branch
Riverside II
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland

FORM OF PRICING SUPPLEMENT FOR NOTES

Pricing Supplement

[LOGO, if document is printed]

NANYANG TECHNOLOGICAL UNIVERSITY

S\$1,000,000,000
Multicurrency Medium Term Note Programme

SERIES NO: [●]
TRANCHE NO: [●]

[Brief Description and Amount of Notes]
Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

[CDP Issuing and Paying Agent, CDP Calculation Agent, CDP Transfer Agent and CDP Registrar]
The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#02-01 Millenia Tower
Singapore 039192

Non-CDP Issuing and Paying Agent and Non-CDP Calculation Agent
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Non-CDP Registrar and Non-CDP Transfer Agent
The Bank of New York Mellon SA/NV, Dublin Branch
Riverside II
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
Ireland]

The date of this Pricing Supplement is [●].

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the “**Notes**”) are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 11 October 2021 (as revised, supplemented, amended, updated or replaced from time to time, the “**Information Memorandum**”) issued in relation to the S\$1,000,000,000 Multicurrency Medium Term Note Programme of Nanyang Technological University (the “**Issuer**”). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes 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 Notes.

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

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes 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 Notes 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 Notes 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 dated [●]], there/There] has been no material adverse change, or any development that is likely to result in a material adverse change, in the financial condition, business, results of operations or assets of the Issuer or the Group since [date of last published audited consolidated accounts]].

[Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Notes 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).]

[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MIFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes 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**”). 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 (EU) 2016/97 (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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes 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 United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (as amended, the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

NANYANG TECHNOLOGICAL UNIVERSITY

Signed: _____
Authorised Signatory

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

[Include whichever of the following apply]

- | | | |
|-----|---|---|
| 1. | Series No.: | [●] |
| 2. | Tranche No.: | [●] |
| 3. | Currency: | [●] |
| 4. | Principal Amount of Series: | [●] |
| 5. | Principal Amount of Tranche: | [●] |
| 6. | Denomination Amount: | [●] |
| 7. | Calculation Amount (if different from Denomination Amount): | [●] |
| 8. | Issue Date: | [●] |
| 9. | Trade Date: | [●] ¹ |
| 10. | Redemption Amount (including early redemption): | [Denomination Amount/
[others]] |
| | | [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions] |
| 11. | Interest Basis: | [Fixed Rate/Floating Rate/Variable Rate/Hybrid/Zero Coupon] |
| 12. | Interest Commencement Date: | [●] |
| 13. | Fixed Rate Note | |
| | (a) Maturity Date: | [●]/[Interest Payment Date falling on or nearest to [specify month]] ² |
| | (b) Day Count Fraction: | [●] |
| | (c) Interest Payment Date(s): | [●] ³ |

1 Applicable in the case of non-syndicated issues cleared through Euroclear and Clearstream.

2 Note that it will be necessary to use the second option in the case of Renminbi-denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification.

3 Note that for certain Renminbi-denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following words should be added: "provided that if any Interest Payment Date falls on a day which is not a business day, the Interest Payment 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 such Interest Payment Date shall be brought forward to the immediately preceding business day. For these purposes, "**business day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in Renminbi and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Offshore Renminbi Centre[s]".

- (d) Initial Broken Amount: [●]
- (e) Final Broken Amount: [●]
- (f) Rate of Interest: [●] per cent. per annum

14. Floating Rate Note

- (a) Redemption Month: [month and year]
- (b) Interest Determination Date: [●]
- (c) Day Count Fraction: [●]
- (d) Specified Number of Months (Interest Period): [●]
- (e) Specified Interest Payment Dates: [●]
- (f) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (g) Benchmark: [Swap Rate, Compounded Daily SORA or other benchmark]⁴
- (h) Observation Method: [Lockout (Condition 5(II)(c)(ii)(2)(A))/Lookback (Condition 5(II)(c)(ii)(2)(B))/Backward Shifted Observation Period (Condition 5(II)(c)(ii)(2)(C))]

(Only applicable where the Benchmark is Compounded Daily SORA)
- (i) Party responsible for calculating the rate of interest: [Calculation Agent]/[●]
- (j) “p”: [●] *(Only applicable where the Benchmark is Compounded Daily SORA)*

(where “p” should be for a period no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)
- (k) Payment Delay Condition 5(II)(c)(ii)(2)(D): [Applicable/Not Applicable]

(Only applicable where the Benchmark is Compounded Daily SORA)
- (l) Delay Period: [●] Business Days *(no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)*

⁴ Parties to consider the various IBOR cessation dates (in particular, 31 December 2021) and the maturity date of the Notes in selecting a reference rate. Please note that under the terms of the documentation, the IBOR rate will be replaced by the fallback referred to in Condition 5(VI). For most IBORs, this will take effect as of 31 December 2021.

- (m) Primary Source: [Specify relevant screen page or “Reference Banks”]
- (n) Reference Banks: [Specify three]
- (o) Relevant Time: [●]
- (p) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (q) Spread: [+/-] [●] per cent. per annum
- (r) Minimum Rate of Interest: [●] per cent. per annum
- (s) Maximum Rate of Interest: [●] per cent. per annum
- (t) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]

15. Variable Rate Note

- (a) Redemption Month: [month and year]
- (b) Interest Determination Date: [●]
- (c) Day Count Fraction: [●]
- (d) Specified Number of Months (Interest Period): [●]
- (e) Specified Interest Payment Dates: [●]
- (f) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (g) Benchmark: [Swap Rate, Compounded Daily SORA or other benchmark]⁵
- (h) Observation Method: [Lockout (Condition 5(II)(c)(ii)(2)(A))/Lookback (Condition 5(II)(c)(ii)(2)(B))/Backward Shifted Observation Period (Condition 5(II)(c)(ii)(2)(C))]

(Only applicable where the Benchmark is Compounded Daily SORA)

⁵ Parties to consider the various IBOR cessation dates (in particular, 31 December 2021) and the maturity date of the Notes in selecting a reference rate. Please note that under the terms of the documentation, the IBOR rate will be replaced by the fallback referred to in Condition 5(VI). For most IBORs, this will take effect as of 31 December 2021.

- (i) Party responsible for calculating the rate of interest: [Calculation Agent]/[●]
- (j) “p”: [●] *(Only applicable where the Benchmark is Compounded Daily SORA)*

(where “p” should be for a period no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)
- (k) Payment Delay Condition 5(II)(c)(ii)(2)(D): [Applicable/Not Applicable]

(Only applicable where the Benchmark is Compounded Daily SORA)
- (l) Delay Period: [●] *Business Days (no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)*
- (m) Primary Source: [Specify relevant screen page or “Reference Banks”]
- (n) Reference Banks: [Specify three]
- (o) Relevant Time: [●]
- (p) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (q) Spread: [+/-] [●] per cent. per annum
- (r) Minimum Rate of Interest: [●] per cent. per annum
- (s) Maximum Rate of Interest: [●] per cent. per annum

16. Hybrid Note

- (a) Fixed Rate Period: [●]
- (b) Floating Rate Period: [●]
- (c) Maturity Date: [●]
- (d) Redemption Month: [month and year]
- (e) Interest Determination Date: [●]
- (f) Day Count Fraction: [●]
- (g) Interest Payment Date(s) (for Fixed Rate Period): [●]
- (h) Initial Broken Amount: [●]
- (i) Final Broken Amount: [●]
- (j) Rate of Interest: [●] per cent. per annum

- (k) Specified Number of Months (Interest Period): [●]
- (l) Specified Interest Payment Date(s) (for Floating Rate Period): [●]
- (m) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (n) Benchmark: [Swap Rate, Compounded Daily SORA or other benchmark]⁶
- (o) Observation Method: [Lockout (Condition 5(II)(c)(ii)(2)(A))/Lookback (Condition 5(II)(c)(ii)(2)(B))/Backward Shifted Observation Period (Condition 5(II)(c)(ii)(2)(C))]

(Only applicable where the Benchmark is Compounded Daily SORA)
- (p) Party responsible for calculating the rate of interest: [Calculation Agent]/[●]
- (q) “p”: [●] *(Only applicable where the Benchmark is Compounded Daily SORA)*

(where “p” should be for a period no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)
- (r) Payment Delay Condition 5(II)(c)(ii)(2)(D): [Applicable/Not Applicable]

(Only applicable where the Benchmark is Compounded Daily SORA)
- (s) Delay Period: [●] *Business Days (no less than five Singapore Business Days unless otherwise agreed with the Calculation Agent and Paying Agent)*
- (t) Primary Source: [specify relevant screen page or “Reference Banks”]
- (u) Reference Banks: [Specify three]
- (v) Relevant Time: [●]
- (w) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
- (x) Spread: [+/-] [●] per cent. per annum

⁶ Parties to consider the various IBOR cessation dates (in particular, 31 December 2021) and the maturity date of the Notes in selecting a reference rate. Please note that under the terms of the documentation, the IBOR rate will be replaced by the fallback referred to in Condition 5(VI). For most IBORs, this will take effect as of 31 December 2021.

- (y) Minimum Rate of Interest: [●] per cent. per annum
- (z) Maximum Rate of Interest: [●] per cent. per annum
- (aa) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions: [●]
17. **Zero Coupon Note**
- (a) Maturity Date: [●]
- (b) Amortisation Yield: [●] per cent. per annum
- (c) Any other formula/basis of determining amount payable: [●]
- (d) Day Count Fraction: [●]
- (e) Any amount payable under Condition 7(h) (Default interest on the Notes): [●]
18. Issuer's Redemption Option [Yes/No]
Issuer's Redemption Option Period (Condition 6(d)): [Specify maximum and minimum number of days for notice period, which shall be a minimum of five business days in the case of Notes cleared through Euroclear and/or Clearstream, Luxembourg] [Specify Dates]
19. Noteholders' Redemption Option [Yes/No]
Noteholders' Redemption Option Period (Condition 6(e)): [Specify maximum and minimum number of days for notice period,] [Specify Dates]⁷
20. Issuer's Purchase Option [Yes/No]
Issuer's Purchase Option Period (Condition 6(b)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
21. Noteholders' VRN Purchase Option [Yes]
Noteholders' VRN Purchase Option Period (Condition 6(c)(i)): [Specify maximum and minimum number of days for notice period] [Specify Dates]
22. Noteholders' Purchase Option [Yes/No]
Noteholders' Purchase Option Period (Condition 6(c)(ii)): [Specify maximum and minimum number of days for notice period] [Specify Dates]

7 Note: if Notes are being cleared through Clearstream, Luxembourg, Clearstream, Luxembourg will require a minimum of 15 business days' notice for the exercise of any Noteholders' Redemption Option. If Notes are being cleared through Euroclear, Euroclear will require a minimum of five business days' notice for the exercise of any Noteholders' Redemption Option.

23. Redemption for Taxation Reasons (Condition 6(f)): [Yes]
[on [insert other dates of redemption not on interest payment dates]]
24. Notes to be represented on issue by: [Bearer/Registered]
[Temporary Global Note exchangeable for Definitive Notes/Temporary Global Note exchangeable for Permanent Global Note/Permanent Global Note/Global Certificate]
25. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
26. Offshore Renminbi Centre(s): [Singapore/other relevant jurisdiction where clearing bank agreements have been established]
[and a reference to the Offshore Renminbi Centre shall mean a reference to any of them]
27. Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable]
28. Prohibition of sales to EEA retail investors: [Applicable/Not Applicable]

(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
29. Prohibition of sales to UK retail investors: [Applicable/Not Applicable]

(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
30. Listing: [●]
31. Rating: The Notes to be issued are [unrated/expected to be rated [●]]
32. ISIN Code: [●]
33. Common Code: [●]
34. Clearing System(s): [Not Applicable/Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited] [other clearing information]

35. Depository: [Common depository for Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited/others]
36. Delivery: Delivery [against/free of] payment
37. Method of issue of Notes: [Individual Dealer/Syndicated Issue]
38. The following Dealer(s) [is/are] subscribing the Notes: [insert legal name(s) of Dealer(s)]
39. Stabilising Manager(s) (if any): [Insert legal name(s) of Stabilising Manager(s)]
40. Paying Agent: [CDP Issuing and Paying Agent/Non-CDP Issuing and Paying Agent]
41. Registrar: [●]/[Not Applicable]
42. Transfer Agent: [●]/[Not Applicable]
43. The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars): S\$[●]
44. Use of Proceeds: [●]
45. Private Bank Rebate/Commission: [Applicable/Not Applicable]
46. Other terms:

Details of any additions or variations to the terms and conditions of the Notes as set out in the Information Memorandum:

Any additions or variations to the selling restrictions:

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary or CDP.

Upon the initial deposit of a Global Note with the Common Depositary or CDP, or registration of Registered Notes in the name of, or in the name of a nominee of, the Common Depositary or CDP and delivery of the relevant Global Certificate to the Common Depositary or, as the case may be, CDP, the relevant clearing system will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

While any Note is represented by a Temporary Global Note, payments in respect of such Notes due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided), to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and (in the case of a Temporary Global Note delivered to a Common Depositary) Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the CDP Issuing and Paying Agent or, as the case may be, the Non-CDP Issuing and Paying Agent.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, CDP or any other clearing system (each, an **“Alternative Clearing System”**) as the holder of a particular principal amount of Notes (each an **“Accountholder”**) represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be) for its share of each payment made by the Issuer to the bearer of such Global Note or the registered holder of the Global Certificate, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the registered holder of the Global Certificate, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that the appropriate TEFRA exemption is either “C Rules” or “not applicable”, in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

3.2 Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after the Exchange Date, in whole (but not (except as provided under paragraph 3.4 below) in part), for Definitive Notes:

- (i) if the Permanent Global Note is held by or on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention to permanently cease business or does in fact does so; or
- (ii) if the Permanent Global Note is held by or on behalf of CDP and (a) an event of default, enforcement event or analogous event entitling an Accountholder or the Trustee to declare the Notes to be due and payable as provided in the Conditions has occurred and is continuing; or (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in its terms and conditions for the provision of depository services and no alternative clearing system is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Denomination Amount(s) only. A Noteholder who holds a principal amount of less than the minimum Denomination Amount will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Denomination Amounts.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of CDP, Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System.

3.3 Global Certificates

The following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by a Global Certificate pursuant to Condition 2(b) may only be made:

- (i) in whole but not in part if such Notes are held on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention to permanently cease business or does in fact do so; or
- (ii) in whole but not in part if such Notes are held by or on behalf of CDP and (a) an event of default, enforcement event or analogous event entitling an Accountholder or the Trustee to declare the Notes to be due and payable as provided in the Conditions has occurred and is continuing; or (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise); or (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in its terms and conditions for the provision of depository services and no alternative clearing system is available; or
- (iii) in whole or in part, if such Notes are not cleared through CDP, with the consent of the Issuer,

provided that, in the case of a transfer pursuant to paragraphs 3.3(i) or 3.3(iii) above, the holder of such Notes has given the Registrar not less than 30 days' notice at its specified office of such holders' intention to effect such transfer.

3.4 Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the CDP Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to the principal amount of the whole or part of the Temporary Global Note submitted for exchange or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Permanent Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, duly executed and authenticated Definitive Notes in an aggregate principal amount equal to the principal amount of the Permanent Global Note submitted for exchange. Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements substantially in the form set out in the relevant Schedules to the Trust Deed. Upon exchange (or payment) in whole of a Permanent Global Note, such Permanent Global Note shall be deemed fully paid and shall be cancelled by the CDP Issuing and Paying Agent and, unless otherwise instructed by the Issuer, the cancelled Permanent Global Note shall be returned to the Issuer.

3.5 Exchange Date

"Exchange Date" means, in relation to a Temporary Global Note, the first day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after the day on which the notice requiring exchange is given and on which commercial banks are open for business in Singapore and in the case of an exchange pursuant to paragraph 3.3(i), a day on which commercial banks are open for business in the cities in which Euroclear, Clearstream, Luxembourg, the Depository or, if relevant, the Alternative Clearing System are located.

4 Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Information Memorandum. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the CDP Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

All payments in respect of Notes represented by a Global Certificate held on behalf of Euroclear or Clearstream, Luxembourg will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

4.2 Prescription

Claims in respect of principal and distribution in respect of Notes that are represented by a Permanent Global Note shall become void unless it is presented for payment within a period of five years from the appropriate Relevant Date (as defined in Condition 8 of the Notes).

4.3 Meetings

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note or the Notes represented by a Global Certificate shall be treated as having one vote in respect of each principal amount of Notes equal to the minimum Denomination Amount of the Notes for which such Permanent Global Note or Global Certificate may be exchanged.

4.4 Cancellation

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the principal amount of such Permanent Global Note on its presentation to or to the order of the CDP Issuing and Paying Agent or, as the case may be, Non-CDP Issuing and Paying Agent for endorsement in the relevant schedule to such Permanent Global Note or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the Register, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

4.5 Purchase

Notes represented by a Permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the right to receive all future payments of interest or distribution thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of Accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, CDP or any such Alternative Clearing System (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the CDP Issuing and Paying Agent or, as the case may be, the Non-CDP Issuing and Paying Agent within the time limits relating to the deposit of Notes with the CDP Issuing and Paying Agent or, as the case may be, the Non-CDP Issuing and Paying Agent set out in the Conditions substantially in the form of the notice available from the CDP Issuing and Paying Agent or, as the case may be, the Non-CDP Issuing and Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of such Permanent Global Note, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the CDP Issuing and Paying Agent, for notation. Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Certificate may be exercised in respect of the whole or any part of the holding of Notes represented by such Global Certificate.

4.8 Trustee's Powers

So long as any Global Note or, as the case may be, Global Certificate is held on behalf of a clearing system, in considering the interests of the Noteholders, the Trustee may have regard to any information, reports or certifications provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to such Global Note or, as the case may be, Global Certificate and may consider such interests on the basis that such accountholders or participants were the holders thereof.

4.9 Notices

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or, as the case may be, Global Certificate is held on behalf of:

- (i) Euroclear and/or Clearstream, Luxembourg or any other Alternative Clearing System (except as provided in paragraph 4.9(ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication, mailing or announcement as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate; or
- (ii) CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for publication, mailing or announcement as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate, except that so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, notices in respect of such Notes shall also be published in a daily newspaper in the English language having general circulation in Singapore.

THE ISSUER

HISTORY AND BACKGROUND

NTU's predecessor institution, Nanyang Technological Institute ("**NTI**"), was set up in 1981 on the grounds of the former Nanyang University to educate practice-oriented engineers for the burgeoning Singapore economy. Founded in 1955, Nanyang University was the first and only Chinese university established in Southeast Asia. In 1980, Nanyang University merged with the University of Singapore to form the National University of Singapore ("**NUS**").

In 1987, the Accountancy School was transferred from NUS to NTI.

Prior to 1991, NTI graduates received degrees awarded by NUS. In 1991, NTI merged with the National Institute of Education to form NTU, which began awarding degrees in its own right. The alumni rolls of the former Nanyang University were transferred to NTU in 1996.

In April 2005, the Singapore Government accepted the recommendations of the University Autonomy, Governance and Funding Steering Committee to, inter alia, devolve greater autonomy to the three publicly funded universities in Singapore at that time. Consequently, in 2006, the Nanyang Technological University (Corporatisation) Act (Chapter 192A) of Singapore ("**NTU Act**") came into effect, and NTU was corporatised from a statutory board to a not-for-profit company limited by guarantee formed under the Companies Act (Chapter 50) of Singapore ("**Companies Act**"), thus becoming an autonomous university.

Since becoming an autonomous university, NTU has undergone rapid expansion and reorganisation. Autonomy enabled the initiation of significant moves to strengthen management, faculty and academic governance. The Provost and College structure was introduced in 2006 to enhance the administration and management of academic affairs. The promotion and tenure system has been enhanced to bring it in line with those of leading universities. An Academic Council with an elected Senate was established as the official consultative body of the faculty.

NTU raised the quality of teaching and learning, broadened and deepened its research capabilities, and substantially raised its international profile. Its market share of top students increased consistently, with growing recognition of NTU Education and an improving public perception. NTU significantly broadened its academic disciplines with humanities and science programmes. The establishment of the Lee Kong Chian School of Medicine in 2010 in partnership with Imperial College London marked a historic milestone.

The creation of the interdisciplinary Asian School of the Environment in 2015 was also a significant development. The rising impact and quality of NTU's research is evident from objective bibliometric data and the exponential increase in external research grants secured. The concomitant advances made in education and research are also reflected in NTU's rapid improvement in international league tables.

STATUTORY AND GOVERNANCE FRAMEWORK

NTU is incorporated as a company limited by guarantee under the Companies Act and does not have any share capital. NTU's objects under its Constitution include the advancement and dissemination of knowledge, the promotion of research and scholarships and the conferring and awarding of degrees, diplomas and certificates.

Under the NTU Act, NTU is to pursue (within the limits of the financial resources available to it) the objects set forth in its Constitution. MOE may from time to time provide NTU with funding approved by Parliament to be applied or expended by NTU for the fulfilment of its objects.

As NTU's operations are substantially funded by MOE through government grants, with MOE having the power to appoint and remove members to NTU's Board of Trustees (the "**Board**"), MOE is regarded as NTU's parent entity.

Under the NTU Act, NTU must comply with a policy framework agreed between NTU and MOE. NTU must evaluate the performance of its activities in accordance with a quality assurance framework determined by MOE and participate in the evaluation of its activities by external review panels commissioned by MOE from time to time.

In addition, NTU must obtain the prior written consent of the Minister for Education for:

- the admission or removal of any person as a member of NTU;
- the disposal of the whole or substantially the whole of NTU's undertaking or property;
- the voluntary winding-up of NTU;
- the addition, deletion or alteration of any provision of NTU's Constitution; or
- the removal of any trustee from the Board.

NTU is also a registered charity under the Charities Act, and as an institution of public character, has adopted best practices in key areas of governance that are closely aligned to the principles and guidelines in the Code of Governance for Charities and Institutions of a Public Character.

BUSINESS

Overview

NTU is a highly ranked, interdisciplinary, research-intensive public university in Singapore, recognised globally for its impactful research, education and innovation, with strengths in many areas shaping the Fourth Industrial Revolution. Inaugurated in its current form in 1991, NTU is among the fastest-rising in the world's top 50 universities, ranking 12th by the Quacquarelli Symonds ("**QS**") World University Rankings in 2021. NTU has been ranked first since 2014 in the QS ranking of the world's young universities. In 2021, NTU also ranked first in the Times Higher Education Young University Rankings, and 46th in the Times Higher Education World University Rankings, making it one of the fastest-rising universities in the world.

For academic year 2021-2022, NTU offered 21 joint and dual PhD programmes with overseas universities, and enrolled approximately 24,500 undergraduate and 8,500 graduate students (including Graduate Diploma students) from 75 countries in its Engineering, Business, Science, Humanities, Arts & Social Sciences and Graduate Colleges, and the Lee Kong Chian School of Medicine set up jointly with Imperial College London.

NTU is also home to world-class autonomous institutes – the National Institute of Education, S Rajaratnam School of International Studies, Earth Observatory of Singapore, and Singapore Centre for Environmental Life Sciences Engineering – and various leading research centres such as the Nanyang Environment & Water Research Institute and Energy Research Institute @ NTU.

As of 1 July 2021, NTU employed approximately 4,700 faculty and researchers, and 2,900 staff, from 76 countries and had approximately 266,100 university alumni representing 155 nationalities.

NTU is frequently named among the world's most beautiful universities. It has a medical campus in Novena, one of Singapore's healthcare district, an alumni clubhouse and executive centre in one-north, and has one of the world's greenest campuses with 62 Green Mark-certified (equivalent to Leadership in Energy and Environmental Design certification) building projects or campus developments. The 62 Green Mark Platinum building projects represent 100% of all NTU buildings with Gross Floor Area larger than 2,000m². NTU's 24 halls of residence house more than 15,000 students, and the NTU Smart Campus is a living test bed for Singapore's Smart Nation initiative and a model of sustainable living.

NTU's international outreach is broad and strong and includes more than 570 academic and research partnerships with institutions across the United States, Europe, the Asia-Pacific and beyond.

NTU 2025 Strategy

NTU's vision is to become a great global university founded on science and technology, nurturing leaders and creating societal impact through interdisciplinary education and research.

In line with this vision, NTU adopted a strategic plan, the NTU 2025 Strategy ("**NTU 2025**"), as a roadmap to achieve its education, research and innovation ambitions and goals against a backdrop of changes brought about by the accelerating pace of technology and the challenges facing humanity in the post-COVID-19 world.

NTU 2025 specifically calls for action to maximise NTU's potential in areas covered by its four core pillars:

- **Education:** to nurture leaders with character, competence and cognitive agility;
- **Research:** to strengthen deep disciplinary discoveries and high-impact interdisciplinary research;
- **Innovation:** to translate knowledge into enterprise that benefits industry and society through partnerships; and
- **Community:** to foster a diverse, inclusive and cohesive community.

NTU 2025 also prioritises NTU's commitment to environmental sustainability, such as by deploying its beautiful Smart Campus as a living testbed to translate NTU's intellectual strengths into actionable pathways.

NTU will also introduce new initiatives with the goal of providing a deeply transformative experience for its undergraduate students. A carefully designed interdisciplinary core curriculum was launched in 2021 to emphasise digital literacy, teamwork, communication skills, and experiential learning. Through this effort, NTU will provide greater breadth and depth of intellectual, social, and cultural nourishing that will strive to prepare students for impactful service and global citizenship. Undergraduates will be offered new interdisciplinary degree programmes, core curricula and internships to enrich their disciplinary training. NTU has also established a new Institute for Pedagogical Innovation, Research and Excellence ("**InsPIRE**").

NTU also seeks to set new standards for recruiting, rewarding, and recognising faculty and staff dedicated to teaching and research who transcend traditional intellectual boundaries. NTU aims to be at the epicentre of pioneering research, knowledge creation, innovation, and industry engagement by serving as the academic anchor in major new infrastructure projects and ecosystems planned for development around its campuses.

Rankings

In 2021, NTU was ranked 12th globally by QS and 46th globally by Times Higher Education, consolidating its position among the world's top universities. NTU was also named the world's best young university for the seventh consecutive year by QS in 2020. In 2021, NTU also ranked 1st in the Times Higher Education Young University Rankings and continued its rise in rankings by the US News & World Report and the Shanghai Rankings.

NTU had three subjects ranked in the No. 1 spot globally in the 2021 US News & World Report, with Materials Science ranked top in the world for the fourth straight year. NTU was also recognised as the top global research university in Nanoscience & Nanotechnology for the fifth consecutive year, and second best in the world in Energy Science in the 2021 Shanghai Rankings.

In the first Nature Index Young Universities ranking that assesses the world's top young universities by their research performance, NTU was placed second globally. NTU was also ranked 10th in the inaugural World University Research Ranking. Top in Asia on this list, NTU is the only Asian university within the global top 20 rankings.

Affirming NTU's role in training future leaders for a world shaped by the Fourth Industrial Revolution, Forbes named NTU's Data Science and Artificial Intelligence programme among the world's 10 best Artificial Intelligence and Data Science undergraduate courses in 2020.

Colleges, Schools and Autonomous Institutions

NTU organises its academic activities into colleges and schools. Each college represents a group of schools that conduct research and teaching in their respective disciplines. NTU also consists of a number of autonomous institutes that engage in teaching and research activities.

College of Engineering

The College of Engineering is one of the largest engineering colleges in the world with six schools focused on technology and innovation. NTU is the eighth most-cited university for engineering research output according to Essential Science Indicators; and is ranked eighth globally and first in Asia for Engineering and Technology by QS World University Rankings. The College of Engineering is also Singapore's preferred engineering programme for top A-level graduates.

The College of Engineering comprises the following schools:

- School of Chemical and Biomedical Engineering;
- School of Civil and Environmental Engineering;
- School of Computer Science and Engineering;
- School of Electrical and Electronic Engineering;
- School of Materials Science and Engineering; and
- School of Mechanical and Aerospace Engineering.

College of Humanities, Arts, and Social Sciences

The College of Humanities, Arts and Social Sciences is home to the best communication and media school in Asia (according to the QS World University Rankings and Academic Ranking of World Universities), a fast-growing humanities and social sciences school with distinctive niches of excellence. It also houses Singapore's first professional art school offering degree courses in art, design and interactive digital media.

The College of Humanities, Arts, and Social Sciences comprises the following schools:

- School of Art, Design and Media;
- School of Humanities;
- School of Social Sciences; and
- Wee Kim Wee School of Communication and Information.

College of Science

Education and research in the College of Science span the domains of biology, chemistry, earth and environmental sciences, mathematics, and physics. It is ranked fourth globally and first in Asia for Chemistry by the US News and World Report, and is ranked 26th in the world for Physical Sciences by the Nature Index. A rigorous curriculum led by talented faculty addresses some of the greatest scientific challenges facing the world today, ranging from healthcare and environmental sustainability to data security. Unique interdisciplinary programmes such as the Bachelor of Science in Economics and Data Sciences, and Double Major Bachelor of Science in Physics and Mathematical Sciences leverage NTU's strengths in physics, mathematics, engineering and social sciences to make new discoveries for the benefit of humanity. In addition, the Asian School of the Environment integrates multiple disciplines including human ecology, humanities, social sciences and data science to tackle issues of vital importance for safe and sustainable societies.

The College of Science comprises the following schools:

- Asian School of the Environment;
- School of Biological Sciences; and
- School of Physical and Mathematical Sciences.

Nanyang Business School (College of Business)

Consistently ranked among the world's premier business schools, Nanyang Business School ("NBS") nurtures leaders from around the world by employing an innovative pedagogy that melds rigorous academic theory with real-world business practice. Drawing on NTU's academic and research strengths, NBS provides enriching opportunities for interdisciplinary study. The school offers one of the world's top 50 MBA programmes and three-year direct Honours degree programmes in Accountancy and Business. NBS is the first business school in Singapore, and the fifth in the Asia-Pacific, to be accredited by both the European Quality Improvement System and Association to Advance Collegiate Schools of Business.

Graduate College

The Graduate College is committed to delivering high-quality postgraduate programmes that address the needs of the rapidly changing research development and education environment in Singapore.

The Graduate College seeks to promote an intellectually stimulating environment within which cross-pollination of ideas can flourish between disciplines, students and their advisors, emphasising the importance of holistic education, innovative framework, experience and collaborative learning.

Lee Kong Chian School of Medicine

The Lee Kong Chian School of Medicine, a partnership between NTU and Imperial College London, trains doctors who will put patients at the centre of their exemplary medical care. Graduates of its five-year undergraduate medical degree programme that started in 2013 will have a strong understanding of the scientific basis of medicine, along with interdisciplinary subjects including engineering and technology. The school, named after local philanthropist Tan Sri Dato Lee Kong Chian, aims to be a future model for innovative medical education. Its first doctors graduated in 2018 with a Bachelor of Medicine and Bachelor of Surgery, awarded jointly by NTU and Imperial College London. The school is the first medical school in Singapore to win the ASPIRE Award in Curriculum Development from the UK-based Association for Medical Education in Europe. It is the fourth Asian university since 2013 to receive the international award, which is sought after by medical schools across the world and is the only award of its kind to recognise schools for excellence in medical education.

National Institute of Education

The National Institute of Education, an autonomous institute of NTU, is Singapore's main teacher-training institute that provides educational consultancy to countries around the world. It is ranked second in Asia (Academic Ranking of World Universities) and second in Asia (QS World University Rankings) for education.

S Rajaratnam School of International Studies

A leading think tank and graduate school in strategic and international affairs in the Asia-Pacific, the S Rajaratnam School of International Studies, an autonomous institute of NTU, produces cutting-edge research on Asia-Pacific security, multilateralism and regionalism, conflict studies, non-traditional security, cybersecurity, maritime security and terrorism studies.

Singapore Centre for Environmental Life Sciences Engineering

Set up with S\$120 million in government funding, the Singapore Centre for Environmental Life Sciences Engineering is NTU's second Research Centre of Excellence ("RCE") and seeks to harness microbial biofilms for water and environmental sustainability.

Earth Observatory of Singapore

Established in 2008 with S\$150 million in state funding, the Earth Observatory of Singapore is NTU's first RCE and a recognised regional leader in understanding environmental threats and the first Asian organisation to receive a S\$5 million endowment from the global AXA Research Fund.

Chinese Heritage Centre

The Chinese Heritage Centre advances knowledge and understanding of ethnic Chinese communities around the world, with a research centre, museum and library housed in the historic Administration Building of the former Nanyang University.

Undergraduate Education

For academic year 2021-2022, NTU offered 36 single degree programmes. Students may choose from 16 double degree programmes, 1 integrated programme and 1 special programme. Interdisciplinary options have increased with 12 new degree offerings, and a common core curriculum and internships for all freshmen starting in academic year 2021-2022. NTU Education, a strategic blueprint for undergraduate education, supports how students learn and provides them with opportunities to develop skills that will enable them to face the future with optimism and

confidence. It emphasises leadership, communication, teamwork, ethics and digital literacy, and caters to new ways of learning, embedding the latest teaching practices, including the use of flipped classrooms for interactive and team-based learning, as well as residential education at NTU's halls of residence.

NTU is the world's first university to allow credits from Massive Open Online Courses ("**MOOCs**") hosted on Coursera to be used to fulfil degree requirements. In 2020, approximately 26,000 learners had completed and passed NTU's MOOCs, including about 12,000 students of NTU with credit transfer. Bringing together top professors, the Teaching Excellence Academy fosters research to produce innovations that improve learning outcomes. The Centre for Research and Development in Learning at NTU is also advancing best practices in tertiary learning, while the new InsPIRE aims to strengthen synergies across pedagogy, technology, research and scholarship in teaching and learning.

Graduate Education

NTU's graduate academic and research programmes, a number of which are ranked among the best globally, cater to more than 8,500 students from Singapore and around the world. The number of Singaporean PhD candidates increased from 23% of the total number of NTU PhD students in academic year 2015-2016 to about 36% in academic year 2020-2021. Enrolment for NTU's master's programmes increased by 14% from 4,473 in academic year 2018-2019 to 5,109 in academic year 2020-2021. NTU's network of global partners for joint/dual PhD programmes has increased over the years through the establishment of new research collaborations with internationally renowned universities. For academic year 2021-2022, NTU offered 21 joint/dual PhD degree programmes with overseas partners. The Graduate College, headed by a Dean, provides strategic oversight and academic leadership on all graduate education matters in NTU. It hosts the Interdisciplinary Graduate Programme, which supports research students working on interdisciplinary projects that cover two or more disciplines, such as artificial Intelligence and neuroscience.

NTU is committed to attracting the brightest post-doctorates and PhD students locally and globally. Quality graduate programmes, including joint PhD programmes with top overseas universities, and attractive scholarships, such as the Nanyang President's Graduate Scholarship, NTU Research Scholarship and Singapore International Graduate Award, help draw the very best research talent from all over the world.

Executive and Continuing Education

The Centre for Professional and Continuing Education ("**PaCE**") consolidates continuing education and training capabilities and expertise within NTU, in line with the Singapore Government's emphasis on advancing adult education and professional development for Singapore's workforce to better meet future challenges.

PaCE leverages technology to enrich the lifelong learning experience of adult learners, including NTU's alumni, making it easier for them to take charge of their own continuing education. Micro-credentials obtained via stackable modular continuing education courses may be accepted as partial fulfilment of the requirements for a full NTU Master's degree.

Besides the programmes offered by PaCE, customised executive training programmes are also conducted by NBS, College of Engineering, College of Humanities, Arts, and Social Sciences, Nanyang Centre for Public Administration and Confucius Institute. 196 programmes were conducted in academic year 2018-2019, and 170 programmes in academic year 2019-2020. These programmes attracted approximately 4,792 and 3,635 participants respectively.

Community

Students and Staff

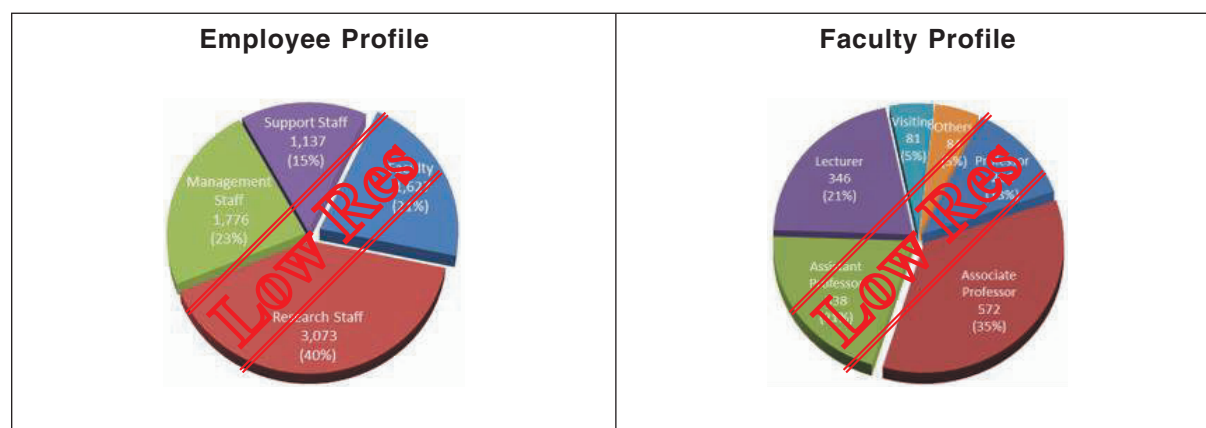
The following table sets forth certain information about NTU's student population for the periods indicated.

Student Population							
Academic Year	Undergraduate			Postgraduate*			Total
	Full-Time	Part-Time	Total	Full-Time	Part-Time	Total	
2020-2021	23,758	821	24,579	5,316	2,451	7,767	32,346
2019-2020	23,063	828	23,891	4,755	2,669	7,424	31,315
2018-2019	22,813	852	23,665	4,522	2,836	7,358	31,023

* Number excludes Graduate Diploma students.

NTU's students pursue courses across a wide range of subjects and NTU's research activities feed directly into its teaching at every level. NTU attracts a large number of qualified application and competition for student places is strong.

As of 1 July 2021, NTU had 7,613 faculty (excluding adjunct faculty) and staff engaged in its academic activities, comprising 1,627 faculty members, 3,073 research staff, 1,776 management staff and 1,137 support staff.



Residential Community

NTU has the largest on-campus residence infrastructure in Singapore. Under a Campus Master Plan, new learning, living, research and recreational spaces have been created to foster multidisciplinary pursuits and a collegiate culture. Two large learning hubs, The Hive and The Arc, centerpieces of flipped classroom learning at NTU, and a lifestyle hub, the North Spine Plaza, are part of this transformed landscape. A new six-storey academic complex with 25 smart classrooms is being built and is expected to be completed in April 2022.

The Yunnan Garden campus provides a serene backdrop to 24 halls of residence housing more than 14,000 undergraduate students and 1,300 graduate students in a variety of lodging options. Approximately 758 housing units are set aside for international academics and staff members.

Global Outreach

NTU is a member of the Global University Leaders Forum, an intellectual community within the World Economic Forum in Davos. Through its involvement, NTU helps to set the agenda for discussions around the future of higher education, innovation and research with other leading universities in the world.

NTU is one of the seven founding members of the Global Alliance of Technological Universities (“**GlobalTech**”), a network of top technological universities united in addressing global issues through leading-edge science and technology. The eight members of GlobalTech are:

- Carnegie Mellon University;
- Georgia Institute of Technology;
- Imperial College London;
- Indian Institute of Technology Bombay;
- Nanyang Technological University;
- Shanghai Jiao Tong University;
- Technische Universität München; and
- University of New South Wales.

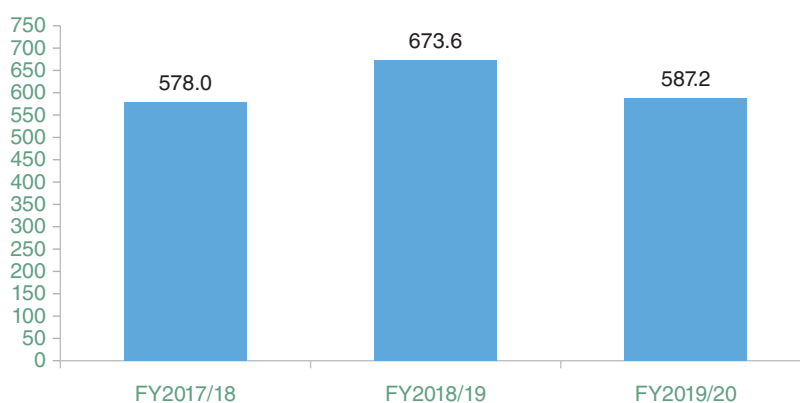
Research

NTU performs cutting-edge research through various strategic national and international research programmes. It hosts three out of seven national RCEs – the Earth Observatory of Singapore the Singapore Centre for Environmental Life Sciences Engineering, and Institute for Digital Molecular Analytics and Science, all conducting research aligned with the long-term strategic interests of Singapore. NTU is also the local partner in 8 out of 9 national Campus for Research Excellence And Technological Enterprise (CREATE) centres, set up with elite international universities.

Research in NTU is carried out within and across the colleges/schools and RCEs, supported by university-level research institutes, corporate and joint laboratories, research centres under the colleges/schools, and joint centres with external organisations. Strong investment in shared facilities strengthens research competencies and supports collaboration.

NTU’s research is substantially funded through research grants. NTU has consistently secured research funding of around S\$600 million annually. It has received about S\$2.9 billion in research funding over the past five years. Its joint projects with companies are valued at between S\$30 million and over S\$80 million each. The following chart depicts the amount of annualised research grants awarded to NTU in the periods indicated.

Competitive Research Grants Awarded (in S\$m)



Funding

NTU's operations are substantially funded by grants from the Singapore Government through the MOE, supplemented primarily by tuition fees, gifts and donations, and income from its Endowment Fund. Under the NTU Act, which corporatised NTU into a company limited by guarantee, the Ministry of Education will provide NTU with funding approved by the Singapore Parliament from time to time to be applied or expended by NTU for the fulfilment its objects.

The Singapore Government also supports NTU's fundraising efforts by matching the funds raised and providing tax deductions for donors.

The Endowment Fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable properties. The Endowment Fund's objectives are the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research. As of 31 March 2021, the Endowment Fund amounted to S\$2.6 billion.

COVID-19

Impact on Student Enrolment

In academic year 2021-2022, MOE allowed an increase in the student intake of NTU to cater to a proportion of students who were unable to travel overseas in pursuit of higher education. As the global COVID-19 situation is still dynamic, NTU may continue to enjoy a slightly higher student intake, as allowed by MOE. This rise in the student intake of NTU can have an accumulative increase on the student enrolment at NTU in the near future.

Measures to Contain COVID-19 Outbreak

In response to the COVID-19 pandemic, NTU offered a hybrid mode of learning incorporating both online and in-person classes. During academic year 2020-2021, NTU placed 600 courses and 624 exams online, provided the logistics and support for more than 32,000 students on the NTULearn Cloud-based platform, helped more than 7,600 staff work from home during Singapore's "Circuit Breaker", and supported the remaining 4,400 students and 600 staff and their families who remained on campus. At the same time, NTU also offered in-person classes whilst complying with necessary safety measures, such as limiting the capacity of classes and conducting classes in larger classrooms to comply with safe distancing measures.

NTU also moved many major physical events online. NTU organised its first virtual open house, virtual career fairs and a virtual celebration for the graduating class of 2020 and conducted online admissions interviews and a virtual orientation for freshmen. NTU also managed the recall of over 2,000 students and staff from overseas, managed stay-home notices and quarantines for more than 600 undergraduates and 2,500 postgraduates, and established a quarantine facility at one of its graduate halls.

Financial Assistance Schemes

NTU has taken steps to provide financial assistance to students to mitigate the impact of the COVID-19 pandemic. In April 2020, NTU established a S\$2 million OneNTU Fund to support students from Singapore who need immediate assistance due to the COVID-19 outbreak. Eligible students may get an interest-free advance of up to S\$1,500, which they will reimburse to NTU within two years after graduation.

In addition, NTU established the NTU Priorities Fund, which is driven by private philanthropy, and raised S\$4.6 million as of December 2020 from generous supporters that include faculty, staff, alumni, friends, Board members, foundations, and organisations. This fund will address urgent needs identified by NTU's leadership and its first use will be to offer financial assistance to the neediest NTU students from Singapore and abroad, who are affected by COVID-19 and who have no other recourse for help. To perpetuate the cycle of philanthropy and to benefit future generations of students, recipients of financial support from this Fund are encouraged to "pay it forward" within two years of their graduation so that future students can be supported in times of need.

Board of Trustees and Management

The Board is NTU's highest governing body and comprises 19 members appointed by the Minister for Education, headed by a Board Chairperson.

The Board includes eminent business leaders, academics, alumni, entrepreneurs and professionals from the public service and private sectors. Members are appointed on the strength of their calibre, experience, stature and ability to contribute to NTU, and bring with them independent judgement on issues of strategy, performance, resource allocation and risk and compliance, as well as valuable relationships and networks that are essential for the growth of NTU.

The Board is responsible for ensuring that NTU acts to further its objectives in education and research and properly accounts for and safeguards NTU's funds and assets. The Board works closely with NTU's management and stakeholders to shape the vision and chart the major direction of NTU, as well as to develop programmes and initiatives which will produce a strong and enduring impact for NTU globally. The Board also approves, among other responsibilities, the annual budget, the use of NTU's operating reserves and NTU's annual audited financial statements.

The Board has in place a framework with systems and processes for an effective Board based on the following governance principles and practices:

- Effective recruitment and induction of trustees. The Nominating Committee is delegated the responsibility of recommending suitable candidates and runs an induction programme comprising interactive briefing sessions. A board manual is available for all trustees to support their induction and engagement.
- Board committees are structured to assist the full Board in fulfilling its governance role, tapping on each trustee's competencies, skills and experience.
- The Board works with management to set NTU's vision, mission and strategy.
- The Board has an executive succession plan tailored to reflect NTU's current strategy and organisation.
- The Board has a system for effective consultation and decision-making with executive sessions and board meetings scheduled in advance, available professional expertise advice, internal guidelines and procedures for conduct of board meetings and obtaining board approvals through a secure cloud-based Board management platform.
- The Board evaluates and reviews its own performance and appoints an independent third party to collate and analyse the returns of the trustees.

- The Board delineates roles and responsibilities between the Board and management. All trustees, including the Chairman, are non-executive with the exception of the President of NTU. This ensures independence of the Board from management.
- The Board has a rotation plan for continuous self-renewal, with staggering of trustees' terms to ensure continuity. There are policies and procedures for nomination and retirement of trustees to ensure formal board nomination and election.

The Board may appoint committees to assist and advise the full Board in carrying out its functions and exercising its powers. There are seven board committees and one advisory committee, the roles of which are briefly described below:

- **Academic Affairs Committee:** This committee provides oversight and policy guidance for and directly supports the academic concerns of NTU as well as the management of faculty and related matters.
- **Alumni and Development Committee:** This committee has oversight of issues relating to the advancement of NTU as a great university founded on science and technology and its relationship with its students, alumni and external communities.
- **Audit and Risk Committee:** This committee oversees NTU's internal controls, financial reporting and enterprise risk management.
- **Finance Committee:** This committee provides oversight of the financial management of NTU.
- **Investment Committee:** This committee oversees the management and investment of the funds of NTU.
- **Nominating Committee:** This committee nominates suitable persons to serve on the Board and its committees.
- **Remuneration Committee:** This committee provides oversight and policy guidance in employee compensation matters.
- **Campus Planning Advisory Committee:** This committee provides oversight and advice on the implementation of the campus master plan.

Board committees operate based on delegated authority and are required to observe their respective terms of reference set out by the Board. Where necessary, non-Board members who have expertise in their respective fields may also be co-opted to enhance the deliberation and decision-making process of the committees.

Board Members

The following table sets forth certain information about the Board as of the date of this Information Memorandum:

Name	Occupation	Position
Ms GOH Swee Chen	Chairman <i>National Arts Council</i>	Chairman
Professor Alexander J.B. ZEHNDER	Chairman <i>Triple Z Ltd</i>	Member
Mr David SU Tuong Sing	Founding Managing Partner <i>Matrix Partners China</i>	Member
Professor Dewi Fortuna ANWAR	Research Professor <i>Research Center for Politics-Indonesian Institute of Sciences (P2P-LIPI)</i> Chairman <i>Institute for Democracy and Human Rights, The Habibie Center</i>	Member
Professor Gene D. BLOCK	Chancellor <i>University of California, Los Angeles</i>	Member
Mr GOH Sin Teck	Editor <i>Lianhe Zaobao</i>	Member
Dr LEE Shiang Long	President <i>Singapore Technologies Kinetics Ltd</i>	Member
Professor Sir Leszek BORYSIEWICZ	Chairman <i>Cancer Research UK</i>	Member
Mr LAI Chung Han	Permanent Secretary (Education) <i>Ministry of Education Singapore</i>	Member
Mr LAM Chung Nian	Partner, Head of the Intellectual Property, Technology & Data Group <i>WongPartnership LLP</i>	Member
Mr LIM Chow Kiat	Managing Director and Chief Executive Officer <i>GIC Private Limited</i>	Member
Mr LIM Chuan Poh	Chairman <i>Singapore Food Agency</i>	Member
Mr LO Kien Foh	President & CEO <i>Continental Automotive Singapore Pte Ltd</i>	Member
Mr LOW Check Kian	Director <i>Cluny Park Capital Pte. Ltd</i>	Member

Name	Occupation	Position
Mr TAN Chin Hwee	CEO, Asia Pacific <i>Trafigura Pte Ltd</i>	Member
Mr Anthony MALLEK	Consultant <i>Singapore Press Holdings Ltd</i>	Member
Mr WONG Yew Meng	Board Member <i>People's Association</i>	Member
Mr Zainul Abidin RASHEED	Non-Resident Ambassador to Kuwait <i>Ministry of Foreign Affairs</i>	Member
Professor Subra SURESH	President <i>Nanyang Technological University</i>	Member

Management

The President is NTU's Chief Executive Officer. He is accountable to the Board for the conduct, coordination and quality of all of NTU's programmes and for its future development. He has the authority to perform all acts that are necessary to give effect to the policies and statutes of the Board. He is also a member of the Board. The Board selects and appoints the President from among candidates shortlisted by a Board-appointed search committee after an international search for candidates.

Forming NTU's core leadership team together with the President are the Provost and Deputy President and three senior vice presidents forming the President's Council. The Provost and Deputy President is the Chief Academic Officer and is responsible for the conduct, coordination and quality of all of NTU's academic programmes and for its future development. This includes graduate and undergraduate education, faculty development, student life and external academic liaison.

The Senior Vice President (Research) guides NTU's university-wide research agenda and its implementation. His responsibilities include research planning and policy development, research funding strategies and research infrastructure development.

The Senior Vice President (Administration) leads the staff functions that enable the seamless delivery of NTU's academic and research priorities, including key initiatives around customer journeys that improve employee engagement, organisation capabilities and operational effectiveness.

The Senior Vice President (Health and Life Sciences) leads an effort to seamlessly integrate university-wide activities in health, medicine and life sciences spanning the full spectrum of education, research, innovation, and clinical practice, to forge multidisciplinary interactions among schools and colleges within NTU and to foster close collaborations with the medical and healthcare enterprises across Singapore and around the globe.

The following table sets forth certain information about NTU's key executives as of the date of this Information Memorandum:

Name	Designation
Professor Subra SURESH	President
Professor LING San	Deputy President and Provost
Professor LAM Khin Yong	Senior Vice President (Research)
Professor Joseph SUNG	Senior Vice President (Health and Life Sciences) Dean, Lee Kong Chian School of Medicine
Ms TAN Aik Na	Senior Vice President (Administration)
Ms LIEN Siaou-Sze	Vice President (University Advancement)
Professor Joseph LIOU	Dean, College of Humanities, Arts, & Social Sciences
Professor Louis PHEE	Dean, College of Engineering
Professor Simon REDFERN	Dean, College of Science
Professor Christina SOH	Dean, College of Business (Nanyang Business School)
Professor LEE Pooi See	Dean, Graduate College
Professor Ralf EMMERS	Dean, S. Rajaratnam School of International Studies
Professor Christine GOH	Director, National Institute of Education
Mr CHAN Wei Chuen	Registrar
Mr Gregory CHEW	General Counsel and Chief Legal Officer
Dr Vivien CHIONG	Chief Communication Officer
Mr Alvin ONG	Chief Information Officer
Mr ONG Eng Hock	Chief Financial Officer

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set forth selected financial information for the Group as at and for the years ended 31 March 2019, 2020 and 2021, which is derived from and should be read in conjunction with the Group's audited consolidated financial statements and their related notes included elsewhere in this Information Memorandum.

	For the year ended 31 March		
	2019	2020	2021
	S\$'000	S\$'000	S\$'000
Statement of Comprehensive Income Information:			
Net tuition and other fees	266,440	304,861	324,467
Non-ministry grants	146,409	166,998	170,804
Other operating income	200,602	208,445	181,454
Total income before profit on investments and share of associate and joint venture's results	613,451	680,304	676,725
Profit on investments	64,371	63,486	666,296
Share of associate and joint venture's results	20	1,219	351
Total income after profit on investments and share of associate and share of joint venture's results	677,842	745,009	1,343,372
Expenditure			
Expenditure of manpower	952,654	951,441	942,538
Other operating expenses	576,292	580,451	507,412
Depreciation of property, plant and equipment & amortisation	266,392	275,716	266,468
Total Expenses	1,795,338	1,807,608	1,716,418
Deficit before grants from ministries	(1,117,496)	(1,062,599)	(373,046)
Grants from ministries			
Government	959,145	907,787	963,136
Deferred capital grants amortised	188,683	187,909	177,938
Total grants from ministries	1,147,828	1,095,696	1,141,074
Surplus after grants from ministries	30,332	33,097	768,028
Taxation	(171)	(268)	(2)
Surplus for the year representing total comprehensive income for the year	30,161	32,829	768,026

	As at 31 March		
	2019	2020	2021
	S\$'000	S\$'000	S\$'000
Statement of Financial Position Information:			
Non-current assets			
Property, plant and equipment	2,022,596	1,962,798	1,835,329
Others	50,570	22,695	21,306
Total non-current assets	2,073,166	1,985,493	1,856,635
Current assets			
Trade and other receivables	326,233	461,390	531,182
Financial assets at fair value through profit or loss	2,700,130	2,805,833	3,501,677
Cash and cash equivalents	991,404	997,719	1,107,883
Others	2,253	1,669	1,784
Total current assets	4,020,020	4,266,611	5,142,526
Total assets	6,093,186	6,252,104	6,999,161
Non-current liabilities			
Deferred capital grants	1,310,489	1,158,313	1,046,971
Sinking fund received in advance	269,831	313,442	307,687
Others	2,937	4,802	5,394
Total non-current liabilities	1,583,257	1,476,557	1,360,052
Total current liabilities	696,983	848,137	895,181
Total liabilities	2,280,240	2,324,694	2,255,233
Net assets	3,812,946	3,927,410	4,743,928
Capital account	200,858	200,858	200,858
Endowment fund	2,038,964	2,113,128	2,573,707
Accumulated surplus – General fund*			
Designated	1,310,237	1,354,382	1,632,108
Specific	262,887	259,042	337,255
Funds and reserves	3,812,946	3,927,410	4,743,928
Statement of Cash Flows Information:			
Cash flows used in operating activities	(989,472)	(1,051,993)	(945,379)
Cash flows used in investing activities	(154,257)	(193,880)	(158,572)
Cash flows from financing activities	1,056,458	1,252,188	1,214,115
Net increase/(decrease) in cash and cash equivalents	(87,271)	6,315	110,164
Cash and cash equivalents at beginning of the year . .	1,078,675	991,404	997,719
Cash and cash equivalents at end of the year	991,404	997,719	1,107,883

* Certain reclassifications have been made to the prior years' financial information to enhance comparability with that as at 31 March 2021.

Financial Highlights

FY2019 Compared to FY2020

Net tuition and other fees increased by S\$38.4 million (14.4%) in FY2020 from the prior financial year primarily because of higher student enrolment. Other operating income increased by S\$7.8 million (3.9%) mainly from higher donations received. The S\$51.4 million (5.4%) decrease in government grants in FY2020 compared to the prior financial year was principally attributable to higher one-off funding from the Ministry of Education in 2019, and lower research and other ministry grants aligned with lower utilisation of expenditure for these grants. The S\$20.6 million (14.1%) increase in non-ministry grants in FY2020 from the prior financial year was mainly attributable to higher non-ministry research grants utilised.

FY2020 Compared to FY2021

Net tuition and other fees increased by S\$19.6 million (6.4%) in the FY2021 from the prior financial year primarily because of higher student enrolment. Other operating income decreased by S\$27.0 million (12.9%) mainly due to lower rental income as a result of a planned cap on hall occupancy rates and lower commercial lease income. Operating expenditure decreased by S\$73.0 million (12.6%) in FY2021 from the prior financial year primarily due to Covid-19 restrictions that resulted in less travel, and fewer physical activities, student exchanges and field trips.

Profit on investments increased by S\$602.8 million in FY2021 from S\$63.5 million in the prior financial year due to the increase in fair valuation of investments arising from improved market performance. Government grants increased by S\$55.3 million (6.1%) in FY2021 from the prior financial year primarily as a result of a one-off grant received under the Singapore Government's Covid-19 relief measures.

RATINGS

The Issuer has been assigned an Issuer rating of “Aaa” by Moody’s. Moody’s has been paid by the Issuer to provide credit rating services in consideration for the credit rating assessments.

The Notes of each Tranche or Series issued under the Programme may be rated or unrated. Where an issue of Notes is rated, such credit rating may be specified in the relevant Pricing Supplement, and will not necessarily be the same as the credit rating assigned to the Issuer.

Any credit rating accorded to the Issuer or the Notes are statements of opinion and are not a recommendation to buy, sell or hold the notes and investors should perform their own evaluation as to whether the investment is appropriate.

Credit ratings are subject to suspension, revision, downgrade or withdrawal at any time by the assigning credit rating agency. Credit rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. Moreover, no assurances can be given that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the relevant credit rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit ratings. The Issuer has no obligation under the Notes to inform Noteholders of any such revision, downgrade or withdrawal.

A suspension, revision, downgrade or withdrawal at any time of the credit rating assigned to the Issuer, the Programme or the Notes may adversely affect the market price or liquidity of the Notes. Moreover, the Issuer’s credit ratings do not reflect the potential impact related to market or other risks discussed in “Risk Factors”.

USE OF PROCEEDS

The net proceeds arising from the issue of the Notes under the Programme (after deducting issue expenses) will be used for the refinancing of existing borrowings, general corporate purposes, working capital and capital expenditure requirements (including supporting the Issuer's sustainability research and initiatives, delivery of educational programmes and generational upgrade of infrastructure) of the Issuer, its subsidiaries, its associated companies (if any) and its joint ventures (if any) 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 Notes 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 ("**Depository System**") maintained by CDP. Notes 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 Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global security or global certificate for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to a securities sub-account with a Depository Agent for trade settlement.

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

Although CDP has established procedures to facilitate transfers of interests in the Notes 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 Issuer, the CDP Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under Euroclear and/or Clearstream, Luxembourg

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. Payments of principal, interest or distributions with respect to book-entry interests in the Notes 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 Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. 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 subscribe for, purchase, own or dispose of the Notes 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. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, 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 Issuer, the Arranger 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 Notes.

1. INTEREST AND OTHER PAYMENTS

Subject to the following paragraphs, under Section 12(6) of the ITA, 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 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0%. The applicable rate for non-resident individuals is currently 22.0%. 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 15.0%. The rate of 15.0% 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 or 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 as a whole is arranged by Oversea-Chinese Banking Corporation Limited, which is a Financial Sector Incentive (Standard Tier) Company or Financial Sector Incentive (Capital Market) Company (as defined in the ITA) at such time, any Tranche of the Notes (the “**Relevant Notes**”) issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2023 would be qualifying debt securities (“**QDS**”) for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes 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 available for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using the funds and profits of such 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 Notes paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person’s operations through a permanent establishment in Singapore, are exempt from Singapore income tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require), Qualifying Income from the Relevant Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

- (aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
- (bb) the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Relevant Notes as MAS may require,

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

Notwithstanding the foregoing:

- (A) if during the primary launch of any Tranche of Relevant Notes, the Relevant Notes of such Tranche are issued to fewer than four persons and 50.0% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and
- (B) even though a particular Tranche of Relevant Notes are QDS, if, at any time during the tenure of such Tranche of Relevant Notes, 50.0% or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:
 - (1) any related party of the Issuer; or
 - (2) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or 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 “**prepayment fee**”, “**redemption premium**” and “**break cost**” are defined in the ITA as follows:

“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;

“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; and

“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.

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

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes 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 QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes 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 Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

2. CAPITAL GAINS

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes 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 Notes who apply or who are required to apply Singapore Financial Reporting Standard (“**FRS**”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) 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 Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore income tax purposes”.

3. ADOPTION OF FRS 39, FRS 109 OR SFRS(I) 9 FOR SINGAPORE INCOME TAX PURPOSES

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

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 Notes 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 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 Notes from the Issuer pursuant to the Programme Agreement.

The Arranger, the Dealers or any of their respective affiliates may have performed certain banking and advisory services for the Issuer and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and/or its affiliates in the ordinary course of the Issuer's or their business. The Issuer may from time to time agree with the relevant Dealer(s) that the Issuer may pay certain third parties commissions (including, without limitation, rebates to private banks as may be specified in the applicable Pricing Supplement).

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 that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

In connection with the issue of any Tranche of Notes, such Notes, when issued, may not have a market. The Dealer or Dealers (if any) may advise the Issuer that they intend to make a market in such Notes as permitted by applicable law. They are not obligated, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for such Notes.

The Arranger, the Dealers or any of their respective affiliates may purchase Notes for its own account or enter into secondary market transactions or derivative transactions relating to the Notes, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Notes. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Notes). As a result of such transactions, the Arranger, the Dealers or any of their respective affiliates may hold long or short positions relating to the Notes.

The Arranger, 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 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 the Issuer and/or its subsidiaries, jointly controlled entities or associated companies from time to time. The Arranger, the Dealers or any of their respective affiliates have received, or may in the future receive, customary fees and/or commissions for these transactions. In the ordinary course of their various business activities, 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 Issuer or its 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 Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

Accordingly, references herein to the Notes being “offered” should be read as including any offering of the Notes to the Arranger, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While the Arranger, the Dealers and/or any of their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Arranger, the Dealers or any of their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. The Arranger, the Dealers or any of their respective affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

United States

The Notes have not been and will not be registered under the Securities Act and the Notes 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 Notes 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 United States 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 that, 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 Notes, (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of an identifiable Tranche of which such Notes are a part, as determined and certified to the Issuing and Paying Agent, by such Dealer (or, in the case of an identifiable Tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes 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 Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meaning given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

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

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
 - (ii) a customer within the meaning of Directive (EU) 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; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area (each, a “**Relevant State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

- (a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Notes to the public**” in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”);
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the applicable Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom, except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) if the Pricing Supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a “**Public Offer**”), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “**an offer of Notes to the public**” in relation to any Note means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“SFO”) and any rules made under that Ordinance; or (ii) 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
- (b) 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 Notes, 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 Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

Singapore

Each Dealer has acknowledged that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes 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 Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Note

Where the Notes are subscribed 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 or securities-based derivatives contracts (each term as defined in Section 2(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 Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or

as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

General

The selling restrictions herein contained may be modified, varied or amended from time to time by notification from the Issuer to the Dealers and each Dealer has undertaken that it will at all times comply with all such selling restrictions.

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction 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 Notes or any interest therein or rights in respect thereof or has in its possession or distributes, any other document or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Notes 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 Notes or any interest therein or rights in respect thereof by it will be made on the foregoing terms.

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 Notes 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 AND OTHER INFORMATION

AUTHORISATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the establishment of the Programme. The establishment of the Programme was authorised by the resolutions of the Board of Trustees passed on 7 October 2021.

BORROWINGS

2. Save as disclosed in Appendix III, the Group had as at 31 March 2021 no 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

3. The trustees of the Issuer are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

4. There have been no significant changes in the accounting policies of the Issuer since its audited financial accounts for the financial year ended 31 March 2021.

LITIGATION

5. There are no legal or arbitration proceedings pending or, to the best of the Issuer's knowledge having made all reasonable enquiries, threatened against the Issuer or any of its subsidiaries the outcome of which have had or, if adversely determined, is reasonably likely to have during the 12 months prior to the date of this Information Memorandum a material adverse effect on the financial position of the Issuer or the Group.

MATERIAL ADVERSE CHANGE

6. There has been no material adverse change in the financial condition or operations of the Issuer or the Group since 31 March 2021.

CONSENT

7. Deloitte & Touche LLP has given and has not withdrawn its written consent to the issue of this Information Memorandum with the references herein to its name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

LEGAL ENTITY IDENTIFIER

8. The Legal Entity Identifier of the Issuer is 549300NYFBZNS57ZX444.

DOCUMENTS AVAILABLE FOR INSPECTION

9. Copies of the following documents may be inspected at the registered office of the Issuer at 50 Nanyang Avenue, Nanyang Technological University, Singapore 639798 during normal business hours for a period of six months from the date of this Information Memorandum:
- (a) the Constitution of the Issuer;
 - (b) the Trust Deed;
 - (c) the letter of consent referred to in paragraph 7 above; and
 - (d) the audited consolidated financial statements of the Issuer and its subsidiaries for the financial years ended 31 March 2020 and 31 March 2021.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

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

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS
OF THE ISSUER AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

The information in this Appendix II has been extracted and reproduced from the audited consolidated financial statements of the Issuer and its subsidiaries for and as of the year ended 31 March 2020 and has not been specifically prepared for inclusion in this Information Memorandum.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF NANYANG TECHNOLOGICAL UNIVERSITY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Nanyang Technological University (the "University Company") and its subsidiaries ("the Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the University Company as at 31 March 2020, and the consolidated statement of comprehensive income, statement of changes in funds and reserves and statement of cash flows of the Group and the statement of changes in funds and reserves of the University Company for the financial year then ended, and notes to the financial statement, including a summary of significant accounting policies and other explanatory information, as set out on pages 23 to 65.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in funds and reserves of the University Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the University Company as at 31 March 2020 and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group and of the changes in funds and reserves of the University Company for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Trustees' Statement but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND TRUSTEES FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The trustees' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF NANYANG TECHNOLOGICAL UNIVERSITY

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act and the Charities Act and Regulations to be kept by the University Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- (a) the University Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) The University Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

13 August 2020

STATEMENTS OF FINANCIAL POSITION

31 MARCH 2020

		Group		University Company	
	Note	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	1,962,798	2,022,596	1,957,214	2,019,029
Intangible assets	4	5,584	10,184	4,520	9,763
Prepaid lease	5	-	37,077	-	37,077
Subsidiaries	6	-	-	500	1,912
Associate and joint venture	7	14,671	382	14,407	16
Student loans	8	2,440	2,927	2,440	2,927
Total non-current assets		1,985,493	2,073,166	1,979,081	2,070,724
Current assets					
Derivative financial instruments	9	-	847	-	847
Student loans	8	1,669	1,406	1,669	1,406
Trade and other receivables	10	461,390	326,233	448,724	317,577
Financial assets at fair value through profit or loss	11	2,805,833	2,700,130	2,796,070	2,692,876
Cash and cash equivalents	12	997,719	991,404	952,610	956,669
Total current assets		4,266,611	4,020,020	4,199,073	3,969,375
Total assets		6,252,104	6,093,186	6,178,154	6,040,099
LIABILITIES					
Non-current liabilities					
Deferred capital grants	13	1,158,313	1,310,489	1,155,695	1,308,955
Other non-current liabilities		2,711	2,937	2,711	2,937
Sinking fund received in advance	14	313,442	269,831	313,442	269,831
Lease liabilities	19	2,091	-	1,337	-
Total non-current liabilities		1,476,557	1,583,257	1,473,185	1,581,723

STATEMENTS OF FINANCIAL POSITION

31 MARCH 2020

		Group		University Company	
	Note	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Current liabilities					
Derivative financial instruments	9	20,075	1,783	20,075	1,783
Other payables and accruals		210,134	223,624	193,588	210,969
Provisions	15	63,931	61,792	62,800	60,747
Grant received in advance					
- Operating grants	16	7,884	7,098	-	-
Grant received in advance					
- Development grants	14	41,472	-	41,472	-
Grant received in advance					
- Information technology and furniture and equipment ("IT and F&E")	14	43,559	45,841	42,997	44,238
Sinking fund received in advance	14	27,972	37,428	27,972	37,428
Short-term borrowings	17	126,500	137,000	126,500	137,000
Deferred tuition and other fees		96,830	94,507	95,383	93,583
Research grants received in advance	18	171,625	87,660	166,392	87,119
Lease liabilities	19	4,414	-	2,845	-
Deferred grant income	20	33,485	-	31,443	-
Income tax payable		256	250	-	-
Total current liabilities		848,137	696,983	811,467	672,867
Total liabilities					
		2,324,694	2,280,240	2,284,652	2,254,590
Net assets					
		3,927,410	3,812,946	3,893,502	3,785,509
FUNDS AND RESERVES					
Capital account	21	200,858	200,858	200,858	200,858
Endowment fund	22	2,113,128	2,038,964	2,113,631	2,039,467
Accumulated surplus					
- General fund		873,014	973,365	829,075	935,269
- Other restricted fund	22	740,410	599,759	749,938	609,915
Funds and reserves		3,927,410	3,812,946	3,893,502	3,785,509

See Note 23 for funds managed on behalf of the Government Ministry.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2020

		General fund		Endowment fund		Other restricted fund		Total	
	Note	2020	2019	2020	2019	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group									
Income									
Tuition and other fees		306,374	296,907	-	-	80,394	65,470	386,768	362,377
Scholarship, bursary and sponsorship expenses		(24,621)	(33,366)	-	-	(57,286)	(62,571)	(81,907)	(95,937)
Net tuition and other fees		281,753	263,541	-	-	23,108	2,899	304,861	266,440
Rental income		2,001	2,043	-	-	70,579	68,537	72,580	70,580
Research grants (non-ministry)	18	123,954	106,969	-	-	-	-	123,954	106,969
Interest income	24	6,598	5,961	-	135	1,819	1,751	8,417	7,847
Donations and sponsorships		2,278	2,389	-	-	38,851	27,162	41,129	29,551
Other grants		3,006	2,521	-	-	3,692	1,798	6,698	4,319
Sundry income		69,860	60,772	-	-	16,459	31,852	86,319	92,624
Deferred capital grants amortised (non-ministry)	13	21,859	17,298	-	-	14,487	17,823	36,346	35,121
Total income before profit on investments and share of associate and joint venture's results		511,309	461,494	-	135	168,995	151,822	680,304	613,451
Profit on investments	25	18,399	13,899	45,028	50,405	59	67	63,486	64,371
Share of associate and joint venture's results	7	(125)	20	1,344	-	-	-	1,219	20
Total income after profit on investments and share of associate and joint venture's results		529,583	475,413	46,372	50,540	169,054	151,889	745,009	677,842
Expenditure									
Expenditure on manpower		808,532	792,570	2,157	1,723	144,557	158,361	955,246	952,654
Teaching/research		191,613	178,555	-	-	44,571	53,981	236,184	232,536
Administration		87,927	86,443	-	-	56,336	56,705	144,263	143,148
Scholarship expenses		47,421	50,771	-	-	28,775	26,806	76,196	77,577
Maintenance		52,762	53,969	-	-	29,402	30,881	82,164	84,850
Depreciation of property, plant and equipment	3	242,925	233,476	-	-	29,814	28,694	272,739	262,170
Amortisation of intangible assets	4	423	598	-	-	2,554	1,941	2,977	2,539
Amortisation of prepaid lease	5	-	1,683	-	-	-	-	-	1,683
Amount carried forward		1,431,603	1,398,065	2,157	1,723	336,009	357,369	1,769,769	1,757,157

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2020

		General fund		Endowment fund		Other restricted fund		Total	
	Note	2020	2019	2020	2019	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group (cont'd)									
Amount brought forward		1,431,603	1,398,065	2,157	1,723	336,009	357,369	1,769,769	1,757,157
Capital expenditure not capitalised		14,291	15,066	-	-	1,071	1,825	15,362	16,891
Loss on disposal of property, plant and equipment		463	1,097	-	-	736	22	1,199	1,119
Other expenses		152	296	2,023	2,178	19,103	17,697	21,278	20,171
Total expenses		1,446,509	1,414,524	4,180	3,901	356,919	376,913	1,807,608	1,795,338
(Deficit)/Surplus before grants from ministries	26	(916,926)	(939,111)	42,192	46,639	(187,865)	(225,024)	(1,062,599)	(1,117,496)
Grants from ministries									
Development grants	14	12,975	19,082	-	-	-	-	12,975	19,082
Operating grants	27	498,972	517,663	-	-	-	-	498,972	517,663
Research grants	18	246,928	265,024	-	-	-	-	246,928	265,024
Other grants		5,080	8,295	-	-	143,832	149,081	148,912	157,376
Deferred capital grants amortised	13	185,374	186,323	-	-	2,535	2,360	187,909	188,683
Total grants from ministries		949,329	996,387	-	-	146,367	151,441	1,095,696	1,147,828
Surplus/(Deficit) after grants from ministries		32,403	57,276	42,192	46,639	(41,498)	(73,583)	33,097	30,332
Taxation	28	(268)	(171)	-	-	-	-	(268)	(171)
Surplus/(Deficit) for the year representing total comprehensive income/(loss) for the year		32,135	57,105	42,192	46,639	(41,498)	(73,583)	32,829	30,161

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

YEAR ENDED 31 MARCH 2020

	Accumulated surplus				
	Capital account	Endowment fund	General fund	Other restricted fund	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
At 1 April 2018	200,858	1,948,290	958,002	579,557	3,686,707
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	46,639	57,105	(73,583)	30,161
<i>Transactions recognised directly in funds:</i>					
Donations	-	46,959	-	-	46,959
Government matching grants	-	49,119	-	-	49,119
Transfer from endowment fund	-	(52,043)	26,197	25,846	-
Transfer to other restricted fund	-	-	(135,501)	135,501	-
Transfer to general fund	-	-	67,562	(67,562)	-
At 31 March 2019	200,858	2,038,964	973,365	599,759	3,812,946
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	42,192	32,135	(41,498)	32,829
<i>Transactions recognised directly in funds:</i>					
Donations	-	28,320	-	-	28,320
Government matching grants	-	53,315	-	-	53,315
Transfer from endowment fund	-	(49,663)	24,490	25,173	-
Transfer to other restricted fund	-	-	(159,938)	159,938	-
Transfer to general fund	-	-	2,962	(2,962)	-
At 31 March 2020	200,858	2,113,128	873,014	740,410	3,927,410

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

YEAR ENDED 31 MARCH 2020

	Accumulated surplus				
	Capital account	Endowment fund	General fund	Other restricted fund	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
University Company					
At 1 April 2018	200,858	1,948,793	922,992	588,346	3,660,989
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	46,639	54,019	(72,216)	28,442
<i>Transactions recognised directly in funds:</i>					
Donations	-	46,959	-	-	46,959
Government matching grants	-	49,119	-	-	49,119
Transfer from endowment fund	-	(52,043)	26,197	25,846	-
Transfer to other restricted fund	-	-	(135,501)	135,501	-
Transfer to general fund	-	-	67,562	(67,562)	-
At 31 March 2019	200,858	2,039,467	935,269	609,915	3,785,509
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	42,192	26,292	(42,126)	26,358
<i>Transactions recognised directly in funds:</i>					
Donations	-	28,320	-	-	28,320
Government matching grants	-	53,315	-	-	53,315
Transfer from endowment fund	-	(49,663)	24,490	25,173	-
Transfer to other restricted fund	-	-	(159,938)	159,938	-
Transfer to general fund	-	-	2,962	(2,962)	-
At 31 March 2020	200,858	2,113,631	829,075	749,938	3,893,502

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2020

	Note	2020 \$'000	2019 \$'000
Group			
Operating activities			
Deficit before grants from ministries		(1,062,599)	(1,117,496)
Adjustments for:			
Research grant income		(123,954)	(106,969)
Depreciation of property, plant and equipment		272,739	262,170
Amortisation of intangible assets		2,977	2,539
Amortisation of prepaid lease		-	1,683
Loss on disposal of property, plant and equipment		1,199	1,119
Profit on investments		(63,486)	(64,371)
Deferred capital grants amortised (non-ministry)		(36,346)	(35,121)
Interest income		(8,417)	(7,847)
Share of associate and joint venture's results		(1,219)	(20)
Impairment loss of an associate		-	49
Interest expense on lease liabilities		162	-
		(1,018,944)	(1,064,264)
Changes in working capital:			
Other payables		21,382	71,212
Trade and other receivables		(84,874)	(45,624)
Deferred tuition and other fees		2,323	2,619
Loans repaid by/(extended to) students		224	(147)
Cash used in operations		(1,079,889)	(1,036,204)
Donations received for Endowment Fund		28,320	46,959
Income taxes paid		(262)	(227)
Interest paid		(162)	-
Cash flows used in operating activities		(1,051,993)	(989,472)
Investing activities			
Acquisition of property, plant and equipment		(166,119)	(178,898)
Acquisition of intangible assets		(527)	(3,674)
Purchase of financial assets		(1,562,045)	(760,687)
Proceeds from disposal of property, plant and equipment		423	297
Proceeds from sale of financial assets		1,700,734	653,889
Investment in associate/joint venture		(13,070)	(120)
(Decrease)/Increase in money market funds and cash held by custodian banks	12	(161,767)	127,711
Interest received		8,491	7,225
Cash flows used in investing activities		(193,880)	(154,257)

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2020

	Note	2020 \$'000	2019 \$'000
Financing activities			
Sinking fund received		47,725	45,769
IT and F&E grant received		23,161	29,318
Research grants received		457,183	357,392
Operating grants received, net of payment of goods and service tax expense on tuition fees and tuition grants		503,133	520,949
Development grants and related income received, net of refund		32,003	4,735
Government ministry grants received		202,227	206,495
Proceeds from borrowings		-	86,700
Repayment of borrowings		(10,500)	(194,900)
Repayment of lease liabilities		(2,744)	-
Cash flows from financing activities		1,252,188	1,056,458
Net increase/(decrease) in cash and cash equivalents		6,315	(87,271)
Cash and cash equivalents at beginning of the year		991,404	1,078,675
Cash and cash equivalents at end of the year	12	997,719	991,404

The accompanying notes form an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

1 GENERAL

Nanyang Technological University ("NTU" or the "University Company") is incorporated and domiciled in Singapore as a Company limited by guarantee under the Singapore Companies Act, Chapter 50. The University Company's registered office and place of business is located at 50 Nanyang Avenue Singapore 639798. The financial statements are expressed in Singapore dollars.

The University Company is principally engaged in the advancement and dissemination of knowledge, the promotion of research and scholarships and the conferring and awarding of degrees, diplomas and certificates.

The principal activities of the subsidiaries are set out in Note 6.

As the operations of the University Company is substantially funded by the Ministry of Education ("MOE" or the "Government Ministry") through government grants, with MOE having the power to appoint and remove members to the Board of Trustees of the University Company, MOE is regarded as the parent entity.

The consolidated financial statements relate to the University Company and its subsidiaries (referred to as the "Group"). The consolidated financial statements of the Group and statement of financial position and statement of changes in funds and reserves of the University Company for the year ended 31 March 2020 were authorised for issue by the Board of Trustees on 13 August 2020.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Basis of measurement

The financial statements have been prepared in accordance with the historical cost basis except otherwise disclosed below, and are drawn up in accordance with the provisions of the Singapore Companies Act, the Charities Act and Financial Reporting Standards in Singapore ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- *Level 2:* inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(b) Functional and presentation currency

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the University Company are presented in Singapore dollars, which is the functional currency of the University Company and the presentation currency for the consolidated financial statements.

All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditure. Actual results may differ from these estimates.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(c) Use of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below.

- Notes 2.9, 9 and 11 - valuation of financial instruments

Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group obtains valuations from third party fund managers/fund administrators/custodian banks. The valuations are determined using market-observable data to the extent it is available. Where Level 1 inputs are not available, the fund managers/fund administrators/custodian banks establish the fair value of the investments using the net asset value at the end of the reporting period.

Derivative financial instruments

The fair value of derivatives (foreign currency forwards) is estimated by discounting the difference between the contractual forward price and the current forward price for the residual period to maturity of the contract.

Financial assets at fair value through profit or loss

The fair values of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The Group and University Company also holds unquoted investments, of which the valuation methodologies are set out in Note 11.

(d) Adoption of new and revised standards

On 1 April 2019, the Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs does not result in changes to the Group's and University Company's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below:

FRS 116 Leases

FRS 116 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of FRS 116 on the Group's financial statements is described below. The date of initial application of FRS 116 for the Group is 1 April 2019.

The Group has applied FRS 116 using the cumulative catch-up approach which requires the Group to recognise the cumulative catch-up approach which does not permit restatement of comparatives, which continue to be presented under FRS 17 *Leases* and INT FRS 104 *Insurance Contracts*.

(i) Impact of the new definition of a lease

The Group has made use of the practical expedient available on transition to FRS 116 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with FRS 17 and INT FRS 104 will continue to be applied to those leases entered or changed before 1 April 2019.

The change in definition of a lease mainly relates to the concept of control. FRS 116 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in FRS 17 and INT FRS 104.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

- (d) Adoption of new and revised standards (cont'd)

FRS 116 Leases (cont'd)

- (i) Impact of the new definition of a lease (cont'd)

The Group applies the definition of a lease and related guidance set out in FRS 116 to all lease contracts entered into or modified on or after 1 April 2019 (whether it is a lessor or a lessee in the lease contract). The new definition in FRS 116 does not significantly change the scope of contracts that meet the definition of a lease for the Group.

- (ii) Impact on lessee accounting

Former operating leases

FRS 116 changes how the company accounts for leases previously classified as operating leases under FRS 17, which were off-balance-sheet.

Applying FRS 116, for all leases, the Group:

- (1) Recognises right-of-use assets and lease liabilities in the statements of financial position, initially measured at the present value of the remaining lease payments;
- (2) Recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of comprehensive income ; and
- (3) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.

Under FRS 116, right-of-use assets are tested for impairment in accordance with FRS 36 *Impairment of Assets*.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (which includes small items of office equipment), the Group has opted to recognise a lease expense on a straight-line basis as permitted by FRS 116. This expense is presented within other expenses in the consolidated statement of comprehensive income.

- (iii) Financial impact of initial application of FRS 116

The weighted average lessee's incremental borrowing rate applied to the lease liabilities recognised in the statements of financial position on 1 April 2019 is 2.63% per annum.

The following table shows the operating lease commitments disclosed applying FRS 17 at 31 March 2019, discounted using the incremental borrowing rate at the date of initial application and the lease liabilities recognised in the statement of financial position at the date of initial application.

	2020
	\$'000
Operating lease commitments at 31 March 2019 (Note 29)	21,355
Less: Short-term leases and leases of low value assets	(7,674)
Less: Non-lease component	(7,249)
Less: Effect of discounting the above amounts	(415)
Lease liabilities recognised as at 1 April 2019	6,017

The Group has assessed that there is no tax impact arising from the application of FRS 116.

Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statements of financial position immediately before the date of initial application.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the University Company and entities controlled by the University Company and its subsidiaries. Control is achieved when the University Company:

- (i) Has power over the investee;
- (ii) Is exposed, or has rights, to variable returns from its involvement with the investee; and
- (iii) Has the ability to use its power to affect its returns.

The University Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the University Company obtains control over the subsidiary and ceases when the University Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the University Company gains control until the date when the University Company ceases to control the subsidiary.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as funds and reserves, it is not remeasured and settlement is accounted for within funds and reserves. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the consolidated statement of comprehensive income.

Associate and Joint venture

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures and associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in joint venture or an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture or associate. When the Group's share of losses of a joint venture or associate exceeds the Group's interest in that joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Consolidation (cont'd)

Associate and Joint venture (cont'd)

An investment in a joint venture or an associate is accounted for using the equity method from the date on which the investee becomes a joint venture or an associate. On acquisition of the investment in a joint venture or an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When a Group entity transacts with a joint venture or an associate of the Group, profits and losses resulting from the transactions with the joint venture or associate are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture or associate that are not related to the Group.

2.3 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated to the functional currency at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated to the functional currency at the rates prevailing on the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to the functional currency of the University Company and the presentation currency for the consolidated financial statements at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates ruling at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign exchange translation reserves is transferred to profit or loss as part of the gain or loss on disposal.

2.4 Funds

Assets and liabilities of all funds are pooled in the statements of financial position.

General and other restricted funds

Income and expenditure are generally accounted for under the "General Fund" in the consolidated statement of comprehensive income. The use of these reserves is subject to the approval of the Board of Trustees.

The income and expenditure relating to funds that are set up for specific purposes are accounted for under "Other Restricted Fund" in the consolidated statement of comprehensive income.

The following funds termed as "Other Restricted Fund" are set up and disclosed separately from the University Company's general fund:

- (i) funds created from donations from external bodies for special purposes;
- (ii) funds created from grants received for carrying out activities under special arrangements; and
- (iii) funds maintained separately and are ring-fenced to support centres and autonomous institutes towards specific and defined objectives.

The use of these funds are governed by the terms and conditions set out by the respective funds.

The income and expenditure of General Fund and Other Restricted Fund are included in the consolidated statement of comprehensive income.

Endowment fund

Donations received and Government matching grants received/receivable during the year are taken directly to the statement of changes in funds and reserves. Income and expenditure arising from the management of the Endowment Fund are taken to the consolidated statement of comprehensive income of the Endowment Fund.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Grants and sinking fund

Grants and sinking fund from the Government Ministry, other ministries and statutory boards and contributions received/receivable from other organisations for the purchase of depreciable assets or to finance research or capital projects are taken to the grants received in advance account in the first instance. They are taken to the deferred capital grants account upon the utilisation of the grants for purchase of assets, which are capitalised, or to profit or loss for purchase of assets which are written off in the year of purchase.

Deferred capital grants are recognised in the profit or loss over the periods necessary to match the depreciation, write off and/or impairment loss of the assets purchased with the related grants. Upon the disposal of property, plant and equipment, the balance of the related deferred capital grants is recognised in profit or loss to match the net book value of the property, plant and equipment being disposed off.

Development grant is recognised when there is reasonable assurance that the University Company will comply with the conditions attach to them and that the grants will be received.

Information Technology and Furniture and Equipment ("IT and F&E") grants received from the Government Ministry are for the purchase of information technology appliances and furniture and equipment to support teaching and administrative function of the University Company. These grants are taken to the grants received in advance account in the first instance. They are taken to deferred capital grants account upon the utilisation of the grants for purchase of assets, which are capitalised, or to the profit or loss for purchase of assets which are written off in the year of purchase.

Grants from the Government Ministry and other ministries to meet the current year's operating expenses are recognised as income in the same year these operating expenses were incurred.

All grants and contributions are accounted for on the accrual basis.

Wage Credit scheme, Special Employment Credit scheme and Temporary Employment Credit scheme

Cash grants received from the government in relation to the Wage Credit scheme, Special Employment Credit scheme and Temporary Employment Credit scheme are recognised upon receipt. Such grants are provided to defray the wage costs incurred and are offset against manpower costs in the financial statements.

2.6 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land alienated to the Group and University Company which are stated at values provided by the Government. Donated assets are stated at valuation at initial recognition.

The freehold land of the Group and the University Company were stated at valuation carried out in December 1987 based on values in a valuation report from the Commissioner of Lands. The revaluation was done on a one-off basis and accordingly, the transitional provision in FRS 16 - *Property, Plant and Equipment* was adopted to continue with its existing policy of stating the freehold land at deemed cost. This revaluation surplus was credited directly to the Capital Account. Upon disposal, any related revaluation surplus is transferred from the Capital Account to accumulated surplus and is not taken into account in arriving at the gain or loss on disposal.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment costing less than \$2,000 each, renovation costing \$100,000 and below and library books are generally charged to profit or loss in the year of purchase.

The gain or loss on disposal of an item of property, plant and equipment recognised in profit or loss is derived from the proceeds from disposal and the carrying amount of property, plant and equipment.

Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Property, plant and equipment (cont'd)

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Except for freehold land and buildings under construction which are not depreciated, depreciation on other property, plant and equipment is recognised in the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives (or lease term, if shorter) of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Buildings and infrastructure	3 to 30 years
Leasehold land	10 to 30 years
Improvement works	5 years
Machinery, laboratory and workshop equipment	6 years
Furniture and office equipment	3 to 5 years
Transportation equipment	8 years
Others	8 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Buildings under construction are stated at cost, less any recognised impairment loss, if any. Expenditure relating to the construction of projects are capitalised when incurred. No depreciation is charged on building under construction until the building under construction is completed and the related property, plant and equipment are transferred to the respective property, plant and equipment categories and depreciated accordingly.

2.7 Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives, on the following base:

Application Software	-	3 years
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The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment annually and whenever there is an indication that the asset may be impaired.

2.8 Impairment - non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the consolidated statement of comprehensive income unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments

Non-derivative financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(a) *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

(b) *Financial assets at FVTPL*

Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 30.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets which are subject to impairment under FRS 109. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises 12-month ECL for all financial assets as the credit risk on the financial asset has not increased significantly since initial recognition. If subsequently, there has been a significant increase in credit risk since initial recognition, the Group will recognise lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring since initial recognition.

The 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. In contrast, lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. The expected credit losses on these financial assets are estimated using the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments (cont'd)

Non-derivative financial assets (cont'd)

(b) Financial assets at FVTPL (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are significantly past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Non-derivative financial liabilities

The Group recognises financial liabilities when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities comprise loans and borrowings and other payables and accruals.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments (cont'd)

Derivative financial instruments and hedging instruments

The Group holds derivative financial instruments, through its external fund managers, to hedge its foreign currency exposure. Further details of derivative financial instruments are disclosed in Note 9 to the financial statements.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

Derivatives are recognised initially at fair value; any attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein accounted for in the profit or loss.

2.10 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations, including accumulated compensated absences, are measured on an undiscounted basis and are expensed as the related services are provided.

2.11 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.12 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income and expenditure; temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Income recognition

Student fees

Income from tuition and other fees are recognised over time in the period in which the services are rendered.

Tuition fees are deferred as the billing for tuition fees cover the academic year, which does not coincide with the financial year of the Group. The aggregate amount of the tuition fees allocated to performance obligations that have yet been satisfied for services as at the end of the reporting period is \$96,830,000 (2019 : \$94,507,000). Management expects that full amount will be recognised as revenue during the next reporting period.

Management fees

Management fees are recognised at point in time upon services rendered.

Donations and sponsorships

Unconditional donations and sponsorships are recognised at point in time upon receipt.

Licence fees

Licence fees are recognised at point in time in accordance with terms of licensing agreement.

Royalties

Royalties are recognised at point in time on sale, by licensor, of products using the technology granted.

Dividends

Dividends are recognised in the financial year in which the right to receive payment is established.

Rental income

Rental income receivable under operating leases is recognised in the profit or loss on a straight-line basis over the term of the lease.

2.14 Finance income and finance costs

Finance income comprises interest income generated from fixed deposits and bank deposits. Interest income is recognised as it accrues in the profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and lease liabilities. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit or loss using the effective interest method.

2.15 Leases

Policy applicable before 1 April 2019

Payments made under operating leases are recognised in the profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently, the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Leases (cont'd)

Policy applicable from 1 April 2019

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented together with "Property, Plant and Equipment" in the statements of financial position.

The Group applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in "Impairment of Non-Financial Assets".

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has used this practical expedient

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Prepaid lease

Prepaid lease is recognised in the statements of financial position and amortised to profit or loss on a straight-line basis over the term of the lease.

2.17 Key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Board of Trustees and senior management team are considered as key management personnel of the Group.

2.18 New standards and on interpretations not yet adopted

At the date of authorisation of these financial statements, the following FRS that is relevant to the Group and the University Company was issued but not effective:

- Amendments to FRS 1 *Presentation of Financial Statements* and FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material* ⁽¹⁾
- Amendments to References to the Conceptual Framework in FRS⁽¹⁾

⁽¹⁾ Applies to annual periods beginning on or after 1 January 2020.

Management anticipates that the adoption of the above amendments to FRS in future periods will not have a material impact on the financial statements of the Group and the University Company in the period of their initial adoption.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

3 PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land [^]	Buildings and infrastructure	Buildings under construction	Improvement works	Machinery, laboratory and workshop equipment	Furniture and office equipment	Transportation equipment	Others [^]	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
Cost or valuation										
At 1 April 2018	200,858	-	2,627,788	82,193	263,439	1,410,086	300,938	8,611	9,192	4,903,105
Additions	-	-	1,229	95,591	6,863	60,750	12,485	1,633	347	178,898
Disposals	-	-	(17,262)	-	(2,191)	(34,527)	(13,970)	(260)	(101)	(68,311)
Reclassifications	-	-	14,443	(106,797)	24,793	57,100	8,235	2,245	(19)	-
At 31 March 2019	200,858	-	2,626,198	70,987	292,904	1,493,409	307,688	12,229	9,419	5,013,692
Adoption of FRS 116	-	38,639	-	-	-	-	-	-	4,455	43,094
Additions	-	-	3,182	83,429	3,343	51,642	25,231	974	3,743	171,544
Disposals	-	-	(2,222)	-	(3,528)	(59,162)	(22,623)	(268)	(539)	(88,342)
Reclassifications	-	-	20,711	(94,448)	5,002	63,141	3,502	1,797	295	-
At 31 March 2020	200,858	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	5,139,988
Comprising										
31 March 2019										
At cost	-	-	2,626,198	70,987	292,904	1,493,409	307,688	12,229	9,419	4,812,834
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	-	2,626,198	70,987	292,904	1,493,409	307,688	12,229	9,419	5,013,692
31 March 2020										
At cost	-	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	4,939,130
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	5,139,988
Accumulated depreciation										
At 1 April 2018	-	-	1,456,206	-	195,026	913,139	218,856	5,678	3,496	2,792,401
Depreciation for the year	-	-	56,279	-	31,487	142,983	30,100	842	479	262,170
Disposals	-	-	(13,533)	-	(2,103)	(33,599)	(13,894)	(260)	(86)	(63,475)
At 31 March 2019	-	-	1,498,952	-	224,410	1,022,523	235,062	6,260	3,889	2,991,096
Depreciation for the year	-	1,840	57,033	-	28,210	150,913	30,288	1,280	3,175	272,739
Disposals	-	-	(2,153)	-	(3,096)	(58,166)	(22,493)	(268)	(469)	(86,645)
Reclassification	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	1,840	1,553,832	-	249,524	1,115,270	242,857	7,272	6,595	3,177,190
Carrying amount										
At 31 March 2019	200,858	-	1,127,246	70,987	68,494	470,886	72,626	5,969	5,530	2,022,596
At 31 March 2020	200,858	36,799	1,094,037	59,968	48,197	433,760	70,941	7,460	10,778	1,962,798

[^] Right-of-use assets include leasehold land and office premises which are classified as part of "Others".

The Group leases land and office premises for University's operations. As at 31 March 2020, the Group is committed to \$839,000 for short-term and low value leases. The total cash outflow for leases for 2020 amounted to \$2,906,000.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land	Leasehold land [^]	Buildings and infrastructure	Buildings under construction	Improvement works	Machinery, laboratory and workshop equipment	Furniture and office equipment	Transportation equipment	Others [^]	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
University Company										
Cost or valuation										
At 1 April 2018	200,858	-	2,627,788	82,193	261,499	1,408,218	299,143	8,611	9,192	4,897,502
Additions	-	-	1,229	95,591	5,561	60,605	11,746	1,633	347	176,712
Disposals	-	-	(17,262)	-	(2,191)	(34,507)	(13,811)	(260)	(101)	(68,132)
Reclassifications	-	-	14,443	(106,797)	24,793	57,100	8,235	2,245	(19)	-
At 31 March 2019	200,858	-	2,626,198	70,987	289,662	1,491,416	305,313	12,229	9,419	5,006,082
Adoption of FRS 116	-	38,639	-	-	-	-	-	-	472	39,111
Additions	-	-	3,182	83,429	3,203	51,362	24,738	974	3,325	170,213
Disposals	-	-	(2,222)	-	(3,450)	(59,042)	(22,002)	(268)	(605)	(87,589)
Reclassifications	-	-	20,711	(94,448)	5,002	63,136	3,507	1,797	295	-
At 31 March 2020	200,858	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	5,127,817
Comprising										
31 March 2019										
At cost	-	-	2,626,198	70,987	289,662	1,491,416	305,313	12,229	9,419	4,805,224
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	-	2,626,198	70,987	289,662	1,491,416	305,313	12,229	9,419	5,006,082
31 March 2020										
At cost	-	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	4,926,959
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	5,127,817
Accumulated depreciation										
At 1 April 2018	-	-	1,456,206	-	193,482	912,648	217,539	5,678	3,496	2,789,049
Depreciation for the year	-	-	56,279	-	31,209	142,650	29,869	842	479	261,328
Disposals	-	-	(13,533)	-	(2,103)	(33,580)	(13,762)	(260)	(86)	(63,324)
At 31 March 2019	-	-	1,498,952	-	222,588	1,021,718	233,646	6,260	3,889	2,987,053
Depreciation for the year	-	1,840	57,033	-	27,868	150,539	29,939	1,280	1,024	269,523
Disposals	-	-	(2,153)	-	(3,092)	(58,053)	(21,938)	(268)	(469)	(85,973)
At 31 March 2020	-	1,840	1,553,832	-	247,364	1,114,204	241,647	7,272	4,444	3,170,603
Carrying amount										
At 31 March 2019	200,858	-	1,127,246	70,987	67,074	469,698	71,667	5,969	5,530	2,019,029
At 31 March 2020	200,858	36,799	1,094,037	59,968	47,053	432,668	69,909	7,460	8,462	1,957,214

[^] Right-of-use assets include leasehold land and office premises which are classified as part of "Others".

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The freehold land of the Group and the University Company were stated at valuation carried out in December 1987 based on values in a valuation report from the Commissioner of Lands. The revaluation was recorded under "Capital Account" (Note 21) on a one-off basis and accordingly, the transitional provision in FRS 16 - *Property, Plant and Equipment* was adopted to continue with its existing policy of stating the freehold land at deemed cost.

The University Company leases land and office premises for University's operations. As at 31 March 2020, the University Company is committed to \$766,000 for short-term and low value leases. The total cash outflow for leases for 2020 amounted to \$732,000.

Amounts recognised in profit or loss

	Group	University Company
	2020	2020
	\$'000	\$'000
Depreciation expense on right-of-use assets	4,521	2,370
Interest expense on lease liabilities	162	66
Expenses relating to short-term and low value leases	2,271	1,893

4 INTANGIBLE ASSETS

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cost				
At 1 April	15,464	11,823	15,043	11,823
Additions	2,478	3,674	1,637	3,253
Disposals	(4,101)	(33)	(4,101)	(33)
At 31 March	13,841	15,464	12,579	15,043
Accumulated amortisation				
At 1 April	5,280	2,774	5,280	2,774
Amortisation charge for the year	2,977	2,539	2,779	2,539
Disposals	-	(33)	-	(33)
At 31 March	8,257	5,280	8,059	5,280
Carrying amount				
At 31 March	5,584	10,184	4,520	9,763

5 PREPAID LEASE

	Group and University Company
	2019
	\$'000
Cost	
At 1 April and 31 March	47,660
Accumulated amortisation	
At 1 April	8,900
Amortisation charge for the year	1,683
At 31 March	10,583
Carrying amount	
At 31 March	37,077

The prepaid lease related to the lease of land from JTC and Singapore Land Authority at One-North and at Mandalay Road (for Novena Campus) respectively. The prepaid lease was capitalised and amortised over the tenure period of the land lease of 30 years. On 1 April 2019, arising from the adoption of FRS 116, the carrying amount of \$37,077,000 was reclassified from "Prepaid Lease" to "Property, Plant and Equipment".

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

6 SUBSIDIARIES

	University Company	
	2020	2019
	\$'000	\$'000
Equity investments at cost	500	1,912
	500	1,912

Details of subsidiaries are as follows:

Name of subsidiary		Country of incorporation	Ownership interest		Principal activities
			2020 %	2019 %	
Held by the University Company					
@	Nanyang Technological University - NTUitive Pte Ltd	Singapore	100	100	Innovation and enterprise company of NTU.
@	NTU Holdings Pte Ltd	Singapore	100	100	Investment holding.
@	Singapore Centre for Chinese Language Limited	Singapore	100	100	Provision of training/ professional development courses for Chinese language teachers and conduct of educational research and activities.
@	NIE International Private Limited	Singapore	100	100	Provision of training programs in teacher education and school leadership.
@	Wealth Management Institute Pte Ltd ⁽ⁱ⁾	Singapore	100	100	Provision of education and training services for professional and management development.
@	National Institute of Early Childhood Development	Singapore	100	100	Provision of pre-service and continuing education and training for professionals in early childhood development.
Held by Nanyang Technological University - NTUitive Pte Ltd					
@	Code Farm Pte Ltd ⁽ⁱ⁾	Singapore	100	100	Research and development of other software and programming activities.
@	Systemed Pte Ltd ⁽ⁱ⁾	Singapore	100	100	Development and commercialisation in medical technology.
@	Techbridge Ventures Pte Ltd ⁽ⁱⁱ⁾	Singapore	10	100	Engineering activities, research and experimental development on engineering.
Held by NTU Holdings Pte Ltd					
*	Nanyang Venture Consulting (Shanghai) Co., Ltd	China	100	100	Consultant for enterprise management, technology and education.
@	Confucius Institute, NTU Pte Ltd	Singapore	100	100	Promotion of Chinese language, culture and support of local Chinese teaching.
#	NTU (London) Limited ⁽ⁱⁱⁱ⁾	United Kingdom	-	100	Promote the advancement of NTU in United Kingdom.
Held by Nanyang Venture Consulting (Shanghai) Co., Ltd					
*	Nanyang Venture Consulting (Beijing) Co., Ltd	China	100	100	Consultant for enterprise management, technology and education

* Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

@ Audited by Deloitte & Touche LLP, Singapore.

Not required to be audited in the country of incorporation.

(i) These companies are in the process of liquidation as at 31 March 2020.

(ii) The Group disposed 90% of the equity interest in the subsidiary on 23 March 2020 resulting in a loss of control over the entity. Accordingly, the remaining carrying amount upon loss of control was reclassified to financial assets at FVTPL (Note 11).

(iii) The subsidiary was liquidated on 16 April 2019.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

7 ASSOCIATE AND JOINT VENTURE

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cost of investment	13,458	421	13,063	-
Share of post-acquisition profit/(loss)	1,213	(39)	1,344	16
	14,671	382	14,407	16

Details of the associates are as follows:

Name of associate	Country of incorporation	Group's proportion of ownership interest/ voting power held		Principal activities
		2020	2019	
		%	%	
InnoPartner Pte Ltd ⁽ⁱ⁾	Singapore	-	20	Engineering activities, research and experimental development on engineering.
Friends of NTU	United States	40	40	Promote the advancement of NTU in United States.
GenomeAsia 100k Ltd ⁽ⁱⁱ⁾	Singapore	33.3	33.3	Data Processing and related activities.

Details of the joint ventures are as follows:

Name of joint venturer	Country of incorporation	Group's proportion of ownership interest/ voting power held		Principal activities
		2020	2019	
		%	%	
Lushang (Nanyang) Pte Ltd ⁽ⁱⁱⁱ⁾	Singapore	30	30	Other information technology and computer service activities.
Secur3DP+ Pte Ltd ^(iv)	Singapore	47.5	47.5	To develop and monetise certain IP assets relating to 3D printing in Singapore.
SRIF Amcorp Pte. Ltd. ^(v)	Singapore	25	-	Investment holding.

- (i) The Group via its wholly-owned subsidiary acquired a 20% equity interests in the associate in the year ended 31 March 2018. The subsidiary has been disposed as at 31 March 2020.
- (ii) Upon dissolution of the associate and settlement of all debts and liabilities, the remaining residual investment will be transferred to NTU as the preferred charitable organisation.
- (iii) The Group determined that it has joint control over Lushang (Nanyang) Pte Ltd by virtue that all significant matters requiring unanimous approval by all the directors and shareholders.
- (iv) The Group determined that it has joint control over Secur3DP+ Pte Ltd based on the joint venture agreement.
- (v) The Group determined that it has joint control over SRIF Amcorp Pte Ltd based on the joint venture agreement.

8 STUDENT LOANS

	Group and University Company	
	2020	2019
	\$'000	\$'000
Student loans	4,109	4,333
Represented by:		
- Amount repayable within 12 months	1,669	1,406
- Amount repayable after 12 months	2,440	2,927
	4,109	4,333

The student loans are unsecured, interest-free and repayable over a period of 2 to 5 years.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

9 DERIVATIVE FINANCIAL INSTRUMENTS

The table below sets out the notional principal amounts and the positive and negative fair values of the Group's and University Company's outstanding derivative financial instruments at the end of the reporting period (comprising foreign currency forwards denominated in United States dollar). Positive and negative fair values represent the mark-to-market values of the derivative contracts and are termed as derivative assets and derivative liabilities respectively. Notional principal amounts are the amount of principal underlying the contract at the end of reporting date.

	Contractual maturity		Fair value	
	Within 1 year	Total	Derivative assets	Derivative liabilities
	\$'000	\$'000	\$'000	\$'000
Group and University Company				
2020				
Foreign currency forwards	589,140	589,140	-	20,075
2019				
Foreign currency forwards	856,243	856,243	847	1,783

Changes in the fair value of the foreign currency forwards are included as part of the fair value (loss)/gain on derivative financial instruments in Note 25.

10 TRADE AND OTHER RECEIVABLES

	Note	Group		University Company	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Trade receivables		39,775	53,193	36,571	50,366
Interest receivables		2,249	2,323	2,198	2,287
Operating grant receivables		4,825	4,066	3,492	3,122
Research grant receivables		206,514	173,555	206,514	173,555
Job Support Scheme (JSS) grant receivables	20	33,485	-	31,443	-
Grants receivables	14	172	1,353	172	1,353
Other receivables		160,226	71,448	153,745	66,600
Loss allowance for doubtful receivables		(11,070)	(3,347)	(10,434)	(3,251)
		149,156	68,101	143,311	63,349
Amounts due from subsidiaries (trade)		-	-	488	366
Loss allowance for doubtful receivables		-	-	(168)	(168)
		-	-	320	198
Amounts due from subsidiaries (non-trade)		-	-	1,015	1,183
Loss allowance for doubtful receivables		-	-	(1,015)	(1,015)
		-	-	-	168
Amounts due from joint venture		-	26	-	26
Financial assets at amortised cost		436,176	302,617	424,021	294,424
Prepayments		25,214	23,616	24,703	23,153
		461,390	326,233	448,724	317,577

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

Credit risk relating to trade receivables is minimal as these receivables are from statutory boards, ministries and companies who provided funding for research activities. The Group's historical experience in the collection of accounts receivables falls within the recorded allowances.

Credit risk for other grant receivables is limited as these relate mainly to receivables from the Government Ministry.

Loss allowance for trade and other receivables has been measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade and other receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

NOTES TO FINANCIAL STATEMENTS

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11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Quoted fixed income investments	427,014	347,697	426,757	347,697
Quoted equity investments	1,158,797	990,305	1,158,715	990,213
Unquoted investments	1,213,422	1,299,387	1,208,939	1,296,722
Other investments	6,600	62,741	1,659	58,244
	<u>2,805,833</u>	<u>2,700,130</u>	<u>2,796,070</u>	<u>2,692,876</u>

The Group's and University Company's investments are mainly managed by external fund managers. The fair values of the financial instruments traded in active markets are based on quoted market prices at the end of the reporting period.

Quoted fixed income investments include investments in fixed income instruments via segregated accounts and pooled vehicles. Quoted equity investments represent investments in quoted equities via segregated accounts and pooled vehicles. The unquoted investments represent investments in private equity funds, hedge funds and limited partnerships. The fair values of these unquoted investments are based on net asset values provided by fund managers, fund administrators and external valuations. Other investments include convertible notes of \$4,941,000 (2019 : \$4,497,000).

The Group's and University Company's investments comprise financial instruments (quoted fixed income, quoted equity, unquoted investments and other investments) managed by external fund managers and cash balances and bank deposits as follows:

		Group		University Company	
	Note	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss		2,805,833	2,700,130	2,796,070	2,692,876
Cash balances and bank deposits	12	127,831	218,670	127,831	218,670
		<u>2,933,664</u>	<u>2,918,800</u>	<u>2,923,901</u>	<u>2,911,546</u>

The cash balances and bank deposits are included as a component in the cash and cash equivalents in Note 12 for the purpose of disclosure.

The weighted average interest rates of quoted fixed income securities at the end of the reporting period and the periods in which they mature are as follows:

Fixed interest rate securities maturing					
	Effective interest rate per annum	Less than 1 year	In 1 to 5 years	After 5 years	Total
	%	\$'000	\$'000	\$'000	\$'000
Group					
2020	0.6 to 3.3	-	181,521	243,379	424,900
2019	1.9 to 3.6	-	157,612	188,314	345,926
University Company					
2020	0.6 to 2.9	-	181,263	243,379	424,642
2019	1.9 to 3.6	-	157,612	188,314	345,926

NOTES TO FINANCIAL STATEMENTS

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12 CASH AND CASH EQUIVALENTS

	Note	Group		University Company	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Operating					
Cash at bank and in hand		457,449	116,423	419,499	89,935
Deposit with financial institutions		412,439	656,311	405,280	648,064
		869,888	772,734	824,779	737,999
Investments					
Cash at bank and in hand		77,254	6,326	77,254	6,326
Money market funds and cash held by custodian banks		50,577	212,344	50,577	212,344
	11	127,831	218,670	127,831	218,670
Cash and cash equivalents		997,719	991,404	952,610	956,669

13 DEFERRED CAPITAL GRANTS

	Government ministries		Statutory boards		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
At 1 April	1,197,334	1,317,379	80,216	78,549	32,939	37,963	1,310,489	1,433,891
Add:								
Grants received for capital expenditure and development project transferred from								
- Operating grants (Note 27)	4,134	3,968	-	-	-	-	4,134	3,968
- Research grants (Note 18)	20,918	24,589	12,328	19,723	2,049	2,830	35,295	47,142
- Development grants (Note 14)	15,388	38,254	-	-	-	-	15,388	38,254
- Other grants	5,439	1,827	8,165	5,546	3,552	3,447	17,156	10,820
Assets donated by various organisations	-	-	-	-	106	218	106	218
	45,879	68,638	20,493	25,269	5,707	6,495	72,079	100,402
Less:								
Grants taken to profit or loss								
- Amortisation charge for the year	187,466	188,075	25,514	23,125	10,458	11,438	223,438	222,638
- On disposal of fixed assets	443	608	329	477	45	81	817	1,166
	187,909	188,683	25,843	23,602	10,503	11,519	224,255	223,804
At 31 March	1,055,304	1,197,334	74,866	80,216	28,143	32,939	1,158,313	1,310,489

NOTES TO FINANCIAL STATEMENTS

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13 DEFERRED CAPITAL GRANTS (CONT'D)

	Government ministries		Statutory boards		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
University Company								
At 1 April	1,195,800	1,317,277	80,216	78,549	32,939	37,963	1,308,955	1,433,789
Add:								
Grants received for capital expenditure and development project transferred from								
- Operating grants	3,813	3,869	-	-	-	-	3,813	3,869
- Research grants (Note 18)	20,918	24,589	12,328	19,723	2,049	2,830	35,295	47,142
- Development grants (Note 14)	13,980	36,651	-	-	-	-	13,980	36,651
- Other grants	5,439	1,827	8,165	5,546	3,552	3,447	17,156	10,820
Assets donated by various organisations	-	-	-	-	106	218	106	218
	44,150	66,936	20,493	25,269	5,707	6,495	70,350	98,700
Less:								
Grants taken to profit or loss								
- Amortisation charge for the year	186,821	187,805	25,514	23,125	10,458	11,438	222,793	222,368
- On disposal of fixed assets	443	608	329	477	45	81	817	1,166
	187,264	188,413	25,843	23,602	10,503	11,519	223,610	223,534
At 31 March	1,052,686	1,195,800	74,866	80,216	28,143	32,939	1,155,695	1,308,955

NOTES TO FINANCIAL STATEMENTS

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14 GRANTS RECEIVABLE/IT AND F&E GRANTS/SINKING FUND RECEIVED IN ADVANCE

		Group		University Company	
	Note	2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Grants receivable within 12 months:					
- Development grant	10	172	1,353	172	1,353
Grants received in advance:					
- Development grant		(41,472)	-	(41,472)	-
- IT and F&E	(a)	(43,559)	(45,841)	(42,997)	(44,238)
- Sinking fund	(b)	(341,414)	(307,259)	(341,414)	(307,259)
Subtotal		(426,445)	(353,100)	(425,883)	(351,497)
Total		(426,273)	(351,747)	(425,711)	(350,144)
Grants received in advance represented as:					
Current portion					
- Development grant		(41,472)	-	(41,472)	-
- IT and F&E		(43,559)	(45,841)	(42,997)	(44,238)
- Sinking fund		(27,972)	(37,428)	(27,972)	(37,428)
		(113,003)	(83,269)	(112,441)	(81,666)
Non-current portion					
- Sinking fund		(313,442)	(269,831)	(313,442)	(269,831)
		(426,445)	(353,100)	(425,883)	(351,497)
Movements in grants (received in advance)/receivable:					
	Note	Group		University Company	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
At 1 April		(351,747)	(329,261)	(350,144)	(329,261)
Grants received during the year		(102,889)	(168,624)	(102,336)	(165,418)
		(454,636)	(497,885)	(452,480)	(494,679)
Less:					
Amounts transferred to deferred capital grants	13	15,388	38,254	13,980	36,651
Amount refunded to the Government Ministry		-	88,802	-	88,802
Amounts taken to profit or loss		12,975	19,082	12,789	19,082
At 31 March		(426,273)	(351,747)	(425,711)	(350,144)

These are grants from the Government Ministry and statutory boards for financing development projects.

- (a) This amount relates to grants received in advance for the purchase of IT and F&E items to support teaching and administrative functions.
- (b) This amount relates to sinking fund received in advance from the Government Ministry for the purpose of maintenance and replacement of property, plant and equipment.

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15 PROVISIONS

	Note	Group		University Company	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
Provision for unutilised compensated leave	(a)	63,931	61,792	62,800	60,747
Provision for MOE budget adjustment	(b)	-	-	-	-
		63,931	61,792	62,800	60,747

(a) The movement in the provision for unutilised compensated leave is as follows:

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
At 1 April	61,792	59,470	60,747	59,030
Provision made during the year	2,139	2,322	2,053	1,717
At 31 March	63,931	61,792	62,800	60,747

(b) The movement in the provision for MOE budget adjustment is as follows:

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
At 1 April	-	8,000	-	8,000
Amount paid	-	(8,000)	-	(8,000)
At 31 March	-	-	-	-

Provision for MOE budget adjustment related to the utilisation of budget allocation from MOE. The University Company, as an MOE-funded institution, was subject to the budget utilisation framework. Under this framework, on a yearly basis, NTU was required to submit its projections for grants from MOE for the operations of the University. MOE would allocate the required grants to NTU based on the projections submitted and should the projections fall below the 95% rate of the original and/or revised grant allocation, NTU was subjected to an utilisation adjustment by MOE.

16 GRANT RECEIVED IN ADVANCE - OPERATING GRANTS

	Group	
	2020	2019
	\$'000	\$'000
At 1 April	7,098	7,097
Grants received during the year	4,922	4,141
	12,020	11,238
Less:		
Amounts taken to profit or loss	(3,815)	(4,041)
Amounts transferred to deferred capital grants	(321)	(99)
At 31 March	7,884	7,098

This relates to grants received from the Government Ministry to finance the operations of subsidiaries. The balance in this account represents grant received but not utilised at the end of the financial year.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

17 SHORT-TERM BORROWINGS

The borrowings are unsecured, bear interest at 1.51% (2019 : 2.23%) per annum and are repayable within the next twelve months from the financial year end.

18 RESEARCH GRANTS RECEIVED IN ADVANCE

	Note	Group		University Company	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
At 1 April		87,660	97,292	87,119	92,724
Grants received during the year		457,183	357,392	444,880	354,121
		544,843	454,684	531,999	446,845
Less:					
Amounts transferred to deferred capital grants	13	(35,295)	(47,142)	(35,295)	(47,142)
Amounts taken to profit or loss		(370,882)	(371,993)	(363,271)	(364,695)
Amounts transferred to grant receivables		32,959	52,111	32,959	52,111
At 31 March		171,625	87,660	166,392	87,119

These are grants received from the Government Ministry, other ministries, statutory boards and other sources for research activities. The balance in this account represents grants received but not utilised at the end of the financial year.

Research grants awarded to the Group from the Government Ministry, other ministries, statutory boards and other sources in 2020 amounted to \$587,640,000 (2019 : \$673,677,000).

Research grants awarded to the Group from the Government Ministry, other ministries, statutory boards and other sources but not yet disbursed as at end of the financial year amounted to \$1,263,073,000 (2019 : \$1,297,168,000).

19 LEASE LIABILITIES

	Group	University Company
	2020	2020
	\$'000	\$'000
Maturity analysis:		
Year 1	4,530	2,917
Year 2	907	231
Year 3	272	185
Year 4	189	185
Year 5	187	185
Year 6 onwards	739	739
	6,824	4,442
Less: Unearned interest	(319)	(260)
	6,505	4,182
Analysed as:		
Current	4,414	2,845
Non-current	2,091	1,337
	6,505	4,182

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group.

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19 LEASE LIABILITIES (CONT'D)

Reconciliation of lease liabilities arising from financing activities

The table below details changes in the Group's lease liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	April 1, 2019	Financing cash flows	Non-cash New lease liabilities	March 31, 2020
	\$'000	\$'000	\$'000	\$'000
Lease liabilities	6,017	(2,744)	3,232	6,505

20 DEFERRED GRANT INCOME

This relates to the deferred grant income under the Job Support Scheme (JSS) from the Government to support wages during the COVID-19 pandemic.

21 CAPITAL ACCOUNT

The capital account represents the revaluation of the freehold land alienated to Nanyang Technological University (details are set out in Note 3).

22 ENDOWMENT FUND AND OTHER RESTRICTED FUND

The Endowment Fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable properties. The objectives of this fund comprise the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research.

Other Restricted Fund comprises the following funds that are ring-fenced to support their respective operations:

- (i) Academic Centres - These are mainly teaching centres conducting courses and dedicated teaching programmes as well as research centres.
- (ii) Non-Academic Centres - These are set-up to provide separate monitoring and management of facilities, for example halls of residence for students, housing for faculty and staff, Nanyang Executive Centre etc.
- (iii) Autonomous Institutes - These comprise National Institute of Education, Lee Kong Chian School of Medicine, Earth Observatory of Singapore, Singapore Centre on Environmental Life Sciences Engineering, S. Rajaratnam School of International Studies, Wealth Management Institute and Chinese Heritage Centre.
- (iv) Scholarship Fund - These comprise funds for the award of scholarships and bursaries.

23 FUNDS MANAGED ON BEHALF OF THE GOVERNMENT MINISTRY

Pursuant to the Tuition Fee Loan (TFL), Study Loan (SL) and Overseas Student Program Loan - 50% funded by MOE (OSP) schemes, the University Company acts as agent for these loans schemes and the Government Ministry as the financier providing the funds.

	Group and University Company	
	2020	2019
	\$'000	\$'000
Cash from the Government Ministry:		
At 1 April	204,222	205,310
Cash received	57,307	56,814
Interest income received on behalf of Government Ministry	3,351	3,441
Repayments	(59,232)	(57,815)
Bad debts recovered/(incurred)	1,393	(87)
Interest income transferred to Government Ministry	(3,351)	(3,441)
	203,690	204,222
Represented by:		
Cash and bank balances held on behalf	870	-
TFL, SL and OSP	202,820	205,851
Net assets	203,690	205,851
Less: Amount receivable from Government Ministry	-	(1,629)
	203,690	204,222

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23 FUNDS MANAGED ON BEHALF OF THE GOVERNMENT MINISTRY (CONT'D)

Cash and bank balances of \$870,000 are held on behalf of Government Ministry in 2020 while \$1,629,000 were paid on behalf and receivable from the Government Ministry in 2019 for the purpose of extending study loans to students.

Students on TFL, SL and OSP are to commence repayment upon graduation. Students are given an option to repay by monthly instalments of minimum amount of \$100 over a period of up to 20 years (for TFL and SL) and 5 years (for OSP) after the borrowers' graduation. Interest is charged at the average prime rates of three local banks prevailing on the first day of each quarter, or such other rates as may be determined from time to time. Interest charged in 2020 is 4.75% (2019 : 4.75%) per annum.

The interest on the TFL, SL and OSP is remitted in full to the Government Ministry on a monthly basis.

24 INTEREST INCOME

	Group	
	2020	2019
	\$'000	\$'000
Interest received/receivable:		
- fixed deposits (placed with financial institutions)	8,134	7,467
- bank balances	283	380
	8,417	7,847

25 PROFIT ON INVESTMENTS

	Group	
	2020	2019
	\$'000	\$'000
Interest income	6,306	7,760
Dividend income	2,317	5,428
Fair value gain on financial assets at fair value through profit or loss	89,632	83,943
Fair value loss on derivative financial instruments	(34,769)	(32,760)
	63,486	64,371

The fair value gains/(losses) on financial assets at fair value through profit or loss and on derivative financial instruments comprise net realised and unrealised gains/(losses).

26 DEFICIT BEFORE GRANTS FROM MINISTRIES

The following items have been included in arriving at deficit before grants from ministries:

	Group	
	2020	2019
	\$'000	\$'000
Loss/(Reversal of) allowance for doubtful receivables	7,723	(10)
Exchange loss	130	142
Operating lease expense	2,271	8,903
Contribution to defined contribution plans included in expenditure on manpower	77,531	76,287
Government grants - Special Employment Credit, Wage Credit and Temporary Employment Credit offset against manpower costs	(2,393)	(3,199)

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27 OPERATING GRANTS FROM GOVERNMENT MINISTRY

		Group	
	Note	2020	2019
		\$'000	\$'000
Operating grants received and receivable during the year		555,299	574,882
Payment for goods and services tax on tuition fees and tuition grants		(51,407)	(53,250)
Amounts transferred to:			
- deferred capital grants	13	(4,134)	(3,968)
- grant received in advance	16	(786)	(1)
Operating grants taken to profit or loss		498,972	517,663

28 TAXATION

The University Company is registered as a charitable institution by virtue of Section 13 of the Income Tax Act, Chapter 134.

The subsidiaries of the Group have unabsorbed tax losses of approximately \$5,755,000 (2019 : \$4,168,000) which are available for offset against future taxable income. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefit.

The unabsorbed tax losses of the subsidiaries are subject to agreement by the tax authorities and compliance with the tax regulations in the respective countries in which certain subsidiaries operate. These temporary differences do not expire under current tax legislation.

	Group	
	2020	2019
	\$'000	\$'000
Current tax expense		
Current year	268	171
Reconciliation of effective tax		
Surplus before income tax	33,097	30,332
Income tax using Singapore tax rates of 17%	5,626	5,156
Income not subject to tax	(5,358)	(4,985)
	268	171

29 COMMITMENTS

Operating lease commitments

The future lease payments contracted at the reporting date but not recognised as liabilities were analysed as follows:

	Group
	2019
	\$'000
Not later than one year	11,153
Later than one year but not later than five years	10,202
	21,355

The Group and the University Company leased office properties, personal computers, printers and servers under operating leases. The leases typically ran for a period of 1 to 5 years.

Capital commitments

	Group	
	2020	2019
	\$'000	\$'000
Contracted but not provided for	198,980	102,649
Authorised but not contracted for	312,792	504,698

The capital commitments are mainly funded from grants from Government Ministries, subject to satisfying certain terms and conditions.

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29 COMMITMENTS (CONT'D)

Capital commitments (cont'd)

	Group	
	2020	2019
	\$'000	\$'000
Uncalled capital commitments to unquoted investments		
- contracted but not provided for	378,513	406,209

Collaboration with Imperial College of Science, Technology and Medicine

On 27 August 2010, NTU and Imperial College of Science, Technology and Medicine entered into an agreement in relation to a collaboration for the establishment and operation of a medical school in Singapore. As at 31 March 2020, NTU's outstanding commitment under the collaboration is estimated at £8.1 million (\$13.4 million) (2019 : £9.4 million (\$16.7 million)) till the expiry of the agreement on 31 July 2028.

30 SIGNIFICANT RELATED PARTY INFORMATION

Related party transactions

The Government of Singapore has control over the Group as the operations of the University Company is substantially funded through Government grants, with MOE having the power to appoint and remove members to the Board of Trustees of the University Company. Consequently, the Group has invoked the exemption from disclosure requirements of FRS 24 in relation to related party transactions and outstanding balances (including commitments) with the Government of Singapore.

The Group has significant transactions with the Government of Singapore in the form of purchase of goods and services and rendering of services. Such purchases and sales are made to various Government agencies in Singapore and collectively approximate \$17.5million (2019 : \$18.0 million) and \$18.8 million (2019 : \$21.9 million).

Other than disclosed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the year on terms agreed between the parties as follows:

	Group	
	2020	2019
	\$'000	\$'000
(a) Key management personnel compensation		
Short-term employee benefits (includes the remuneration of an executive trustee)	7,698	8,118
(b) Services rendered		
Consultancy fees paid to Trustees	103	191

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Financial assets at amortised cost	1,438,004	1,298,354	1,380,740	1,255,426
Financial assets at FVTPL	2,805,833	2,700,130	2,796,070	2,692,876
Derivative financial instruments	-	847	-	847
	4,243,837	3,999,331	4,176,810	3,949,149
Financial Liabilities				
Financial liabilities at amortised cost	339,345	363,561	322,799	350,906
Derivative financial instruments	20,075	1,783	20,075	1,783
Lease liabilities	6,505	-	4,182	-
	365,925	365,344	347,056	352,689

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31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- interest risk
- price risk
- foreign currency risk
- capital risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Credit risk management

Cash and investments in financial assets

Cash and deposits are placed with reputable financial institutions. Investment portfolios are managed by external fund managers.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations in relation to each class of recognised financial asset is the carrying amount of those assets as stated in the statements of financial position.

The credit risk is diversified over a range of institutions.

Trade and other receivables

Credit risk is the potential loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The carrying amount of financial assets, grossed up for any provision, represents the maximum credit exposure. At the end of the reporting period, the credit risk is mainly due from customers in Singapore but there is no significant concentration of credit risk arising receivables due from any individual other than grant receivables from the Government Ministry.

The Group manages its credit risk with regular monitoring and following up actions for the debts outstanding from debtors. Additional information is set out in Note 10.

The aging of loans and receivables at the reporting date is:

	2020		2019	
	Gross	Loss allowance for doubtful receivables	Gross	Loss allowance for doubtful receivables
	\$'000	\$'000	\$'000	\$'000
Group				
Not past due	402,697	523	274,511	120
Past due 1 to 30 days	23,860	412	12,640	201
Past due 31 to 150 days	10,405	1,841	6,579	336
More than 151 days	10,284	8,294	12,234	2,690
	<u>447,246</u>	<u>11,070</u>	<u>305,964</u>	<u>3,347</u>
University Company				
Not past due	391,430	517	267,484	120
Past due 1 to 30 days	23,318	395	12,315	201
Past due 31 to 150 days	10,220	1,792	6,435	334
More than 151 days	10,670	8,913	12,624	3,779
	<u>435,638</u>	<u>11,617</u>	<u>298,858</u>	<u>4,434</u>

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Credit risk management (cont'd)

Trade and other receivables (cont'd)

The movement in the loss allowance for doubtful receivables in respect of loans and receivables during the year is as follows:

	Group		University Company	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
At 1 April	3,347	3,357	4,434	4,540
Loss allowance charged/(reversed)	7,723	(10)	7,183	(106)
At 31 March	11,070	3,347	11,617	4,434

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The contracted undiscounted cash outflows on financial liabilities approximate their carrying amounts and are generally settled within one year. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flow. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

In addition, the Group maintains the following lines of credit:

- \$11 million bankers' guarantee facility that is unsecured.
- \$540 million that can be drawn down to meet short-term financing needs.

Interest risk management

Surplus funds from the Group's operations are invested in bank deposits and with fund managers. The Group has no material exposure to interest rate risk from fixed deposits and borrowings as the interest rates are on fixed rate basis. The Group's investments in fixed income securities that are managed by fund managers (classified as financial assets at fair value through profit or loss) are exposed to interest rate risk.

Sensitivity analysis for interest risk

If movements in interest rates result in a 3% (2019 : 3%) appreciation/depreciation in the value of the fixed income investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$12,810,000 (2019 : \$10,431,000).

Market risk - Price risk management

The Group is exposed to equity securities price risk from investments classified as financial assets at fair value through profit or loss. The market values of these investments are affected by, amongst others, changes in market prices as a result of changes in the global economic conditions, macro and micro economic factors affecting the country where the investments are quoted, and factors specific to the investee corporations.

To manage the price risk arising from investment in equity securities, the Group diversifies its portfolio across different markets and industries as appropriate.

Sensitivity analysis for price risk

If movements in financial markets result in a 5% (2019 : 5%) appreciation/depreciation in the value of the quoted equity and other investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$58,270,000 (2019 : \$52,340,000).

If movements in financial markets result in a 5% (2019 : 5%) appreciation/depreciation in the value of the unquoted investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$60,671,000 (2019 : \$64,969,000).

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Foreign currency risk management

The Group's investments which are managed by fund managers may be in instruments denominated in foreign currencies. Currency exposure arising from such investments is managed by fund managers. Additional information is set out in Note 9.

The main foreign currency exposure of investments (net of foreign currency forwards) based on information provided to management is as follows:

	US dollar \$'000	Euro \$'000	Japanese Yen \$'000	Pounds Sterling \$'000	Others \$'000
2020	1,536,983	206,321	39,513	50,918	499,205
2019	877,610	71,260	35,487	47,684	402,783

Sensitivity analysis for currency risk

If the relevant foreign currency changes against the Singapore dollar by 5% (2019 : 5%), all other variables being held constant, the effects will be as follows:

	Profit or Loss	
	2020 \$'000	2019 \$'000
Increase/(Decrease)		
<i>US dollar against Singapore dollar</i>		
Strengthened	76,849	43,881
Weakened	(76,849)	(43,881)
<i>Euro against Singapore dollar</i>		
Strengthened	10,316	3,563
Weakened	(10,316)	(3,563)
<i>Japanese Yen against Singapore dollar</i>		
Strengthened	1,976	1,774
Weakened	(1,976)	(1,774)
<i>Pounds Sterling against Singapore dollar</i>		
Strengthened	2,546	2,384
Weakened	(2,546)	(2,384)

Estimating the fair values

Financial assets at fair value through profit or loss

The fair values of financial assets traded in active markets are based on quoted market prices at the end of the reporting period.

The fair values of unquoted investments are based on net asset values provided by fund managers, fund administrators and external valuations.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, other payables and accruals, and short-term borrowings) are assumed to approximate their fair values. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)***Fair value hierarchy***

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- *Level 2:* inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Group				
31 March 2020				
Financial assets at fair value through profit or loss	1,114,822	1,009,850	681,161	2,805,833
Derivative financial liabilities	-	20,075	-	20,075
31 March 2019				
Financial assets at fair value through profit or loss	1,396,247	792,789	511,094	2,700,130
Derivative financial assets	-	847	-	847
	1,396,247	793,636	511,094	2,700,977
Derivative financial liabilities	-	1,783	-	1,783
University Company				
31 March 2020				
Financial assets at fair value through profit or loss	1,114,482	1,009,851	671,737	2,796,070
Derivative financial liabilities	-	20,075	-	20,075
31 March 2019				
Financial assets at fair value through profit or loss	1,396,154	792,789	503,933	2,692,876
Derivative financial assets	-	847	-	847
	1,396,154	793,636	503,933	2,693,723
Derivative financial liabilities	-	1,783	-	1,783

There were no transfers between Level 1, 2 and 3 of the fair value hierarchy in 2019 and 2020.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

*Fair value hierarchy (cont'd)***Assets measured at fair value based on Level 3:**

	Financial assets designated at fair value through profit or loss		Available-for-sale financial assets		Total	
	Unquoted investments		Unquoted investments		Unquoted investments	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
At 1 April	511,094	449,785	-	2,798	511,094	452,583
<i>Effects of adoption of FRS 109</i>						
Reclassification of:						
- Available-for-sale financial assets to FVTPL	-	2,798	-	(2,798)	-	-
- Convertible note to FVTPL	-	3,753	-	-	-	3,753
Gains in profit or loss	87,679	57,455	-	-	87,679	57,455
Subscriptions/Contributions	179,050	130,523	-	-	179,050	130,523
Redemptions/Distributions	(96,662)	(133,220)	-	-	(96,662)	(133,220)
At 31 March	681,161	511,094	-	-	681,161	511,094

	Financial assets designated at fair value through profit or loss	
	Unquoted investments	
	2020	2019
	\$'000	\$'000
University Company		
At 1 April	503,933	449,785
Gains in profit or loss	86,724	57,408
Subscriptions/Contributions	177,675	129,609
Redemptions/Distributions	(96,595)	(132,869)
At 31 March	671,737	503,933

Capital risk management policies and objectives

The capital structure of the Group consists of funds and accumulated surplus. Risk management is integral to the activities of the Group. The Group has controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors its risk management processes to ensure that an appropriate balance between risk and control is achieved. Risk management processes are reviewed regularly to reflect changes in the Group's activities. The Group's overall strategy remains unchanged from 2019.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2020

32 CHARITY ACT AND REGULATIONS

As required for disclosure under Section 17(1) of the Charities (Institutions of a Public Character) Regulations, the University Company has received total tax deductible donations of \$23,905,000 (2019 : \$42,806,000) in the current financial year.

33 EVENTS AFTER THE REPORTING PERIOD

The outbreak of Covid-19 in early 2020 has caused disruptions to many industries globally. Despite the challenges, governments and international organisations have implemented a series of measures to contain the pandemic.

The Covid-19 outbreak is an event that occurred during the Group's financial reporting period and the related impact of the Covid-19 outbreak on the Group's assets and liabilities have been assessed and recognised in the financial statements as at 31 March 2020. Specifically, the Group has accounted for the Jobs Support Scheme meant to provide wage support for local employees by recognising a grants receivable and a corresponding deferred grant income as at 31 March 2020. The Group has also recognised the impact resulting from the volatility of bonds and stock markets on the financial assets at FVTPL as at 31 March 2020.

As students from the schools under the Group are continuing their studies with home-based learning, the schools are still providing educational services to the students, and there is no significant impact to the revenue stream of the Group. MOE and other funding agencies have also continued to disburse grants to the Group to support its operations.

Thus, the Group has determined that it will be able maintain sufficient liquidity to enable it to continue as a going concern for at least the next 12 months from the authorisation date of the Group's financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS
OF THE ISSUER AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

The information in this Appendix III has been extracted and reproduced from the audited consolidated financial statements of the Issuer and its subsidiaries for and as of the year ended 31 March 2021 and has not been specifically prepared for inclusion in this Information Memorandum.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF NANYANG TECHNOLOGICAL UNIVERSITY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Nanyang Technological University (the "University Company") and its subsidiaries ("the Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the University Company as at 31 March 2021, and the consolidated statement of comprehensive income, statement of changes in funds and reserves and statement of cash flows of the Group and the statement of changes in funds and reserves of the University Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 23 to 64.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in funds and reserves of the University Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the University Company as at 31 March 2021 and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group and of the changes in funds and reserves of the University Company for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Trustees' Statement but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND TRUSTEES FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The trustees' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF NANYANG TECHNOLOGICAL UNIVERSITY

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act and the Charities Act and Regulations to be kept by the University Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- (a) the University Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) The University Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

DeLoitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

19 August 2021

STATEMENTS OF FINANCIAL POSITION

31 March 2021

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	1,835,329	1,962,798	1,828,385	1,957,214
Intangible assets	4	4,107	5,584	2,931	4,520
Subsidiaries	5	-	-	500	500
Associate and joint venture	6	15,022	14,671	14,846	14,407
Student loans	7	2,177	2,440	2,177	2,440
Total non-current assets		1,856,635	1,985,493	1,848,839	1,979,081
Current assets					
Student loans	7	1,784	1,669	1,784	1,669
Trade and other receivables	9	531,182	461,390	517,470	448,724
Financial assets at fair value through profit or loss	10	3,501,677	2,805,833	3,492,580	2,796,070
Cash and cash equivalents	11	1,107,883	997,719	1,069,629	952,610
Total current assets		5,142,526	4,266,611	5,081,463	4,199,073
Total assets		6,999,161	6,252,104	6,930,302	6,178,154
LIABILITIES					
Non-current liabilities					
Deferred capital grants	12	1,046,971	1,158,313	1,044,399	1,155,695
Other non-current liabilities		2,600	2,711	2,525	2,711
Sinking fund received in advance	13	307,687	313,442	307,687	313,442
Lease liabilities	18	2,794	2,091	1,148	1,337
Total non-current liabilities		1,360,052	1,476,557	1,355,759	1,473,185

STATEMENTS OF FINANCIAL POSITION

31 March 2021

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Current liabilities					
Derivative financial instruments	8	19,935	20,075	19,935	20,075
Other payables and accruals		243,689	210,134	229,194	193,588
Provisions	14	77,337	63,931	75,611	62,800
Grant received in advance					
- Operating grants	15	6,923	7,884	-	-
Grant received in advance					
- Development grants	13	42,967	41,472	42,967	41,472
Grant received in advance					
- Information technology and furniture and equipment ("IT and F&E")	13	49,094	43,559	48,632	42,997
Sinking fund received in advance	13	25,072	27,972	25,072	27,972
Short-term borrowings	16	120,800	126,500	120,800	126,500
Deferred tuition and other fees		117,211	96,830	115,934	95,383
Research grants received in advance	17	180,892	171,625	180,784	166,392
Lease liabilities	18	2,102	4,414	189	2,845
Deferred grant income	19	9,158	33,485	7,549	31,443
Income tax payable		1	256	-	-
Total current liabilities		895,181	848,137	866,667	811,467
Total liabilities		2,255,233	2,324,694	2,222,426	2,284,652
Net assets		4,743,928	3,927,410	4,707,876	3,893,502
FUNDS AND RESERVES					
Capital account	20	200,858	200,858	200,858	200,858
Endowment fund	21	2,573,707	2,113,128	2,574,210	2,113,631
Accumulated surplus – General fund					
- Designated	21	1,632,108	1,354,382	1,591,060	1,315,133
- Specific	21	337,255	259,042	341,748	263,880
Funds and reserves		4,743,928	3,927,410	4,707,876	3,893,502

See Note 22 for funds managed on behalf of the Government Ministry.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2021

	Note	General fund						Endowment fund		Total	
		Designated		Specific		Total		2021	2020	2021	2020
		2021	2020	2021	2020	2021	2020				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group Income											
Tuition and other fees		419,570	386,768	-	-	419,570	386,768	-	-	419,570	386,768
Scholarship, bursary and sponsorship expenses		(95,103)	(81,907)	-	-	(95,103)	(81,907)	-	-	(95,103)	(81,907)
Net tuition and other fees		324,467	304,861	-	-	324,467	304,861	-	-	324,467	304,861
Rental income		60,311	72,580	7	-	60,318	72,580	-	-	60,318	72,580
Research grants (non-ministry)	17	-	-	133,402	123,954	133,402	123,954	-	-	133,402	123,954
Interest income	23	3,287	6,427	481	1,990	3,768	8,417	-	-	3,768	8,417
Donations and sponsorships		13,810	15,272	21,063	25,857	34,873	41,129	-	-	34,873	41,129
Other grants		3,411	6,689	2,457	9	5,868	6,698	-	-	5,868	6,698
Sundry income		82,407	85,894	88	425	82,495	86,319	-	-	82,495	86,319
Deferred capital grants amortised (non-ministry)	12	12,566	18,547	18,968	17,799	31,534	36,346	-	-	31,534	36,346
Total income before profit on investments and share of associate and joint venture's results		500,259	510,270	176,466	170,034	676,725	680,304	-	-	676,725	680,304
Profit on investments	25	134,358	13,205	58,139	5,253	192,497	18,458	473,799	45,028	666,296	63,486
Share of associate and joint venture's results	6	(88)	(125)	-	-	(88)	(125)	439	1,344	351	1,219
Total income after profit on investments and share of associate and joint venture's results		634,529	523,350	234,605	175,287	869,134	698,637	474,238	46,372	1,343,372	745,009
Expenditure											
Expenditure on manpower		696,055	723,355	244,254	225,929	940,309	949,284	2,229	2,157	942,538	951,441
Teaching/research/administration		190,793	234,407	93,796	116,357	284,589	350,764	-	-	284,589	350,764
Scholarship, bursary and sponsorship expenses		12,876	21,638	86,152	73,614	99,028	95,252	-	-	99,028	95,252
Maintenance		97,452	109,537	8,060	6,115	105,512	115,652	3	-	105,515	115,652
Depreciation of property, plant and equipment	3	69,832	87,101	194,188	185,638	264,020	272,739	-	-	264,020	272,739
Amortisation of intangible assets	4	2,437	2,970	11	7	2,448	2,977	-	-	2,448	2,977
Capital expenditure not capitalised		10,531	9,249	4,687	6,113	15,218	15,362	-	-	15,218	15,362
Loss on disposal of property, plant and equipment		333	564	264	635	597	1,199	-	-	597	1,199
Other expenses		1,004	152	14	47	1,018	199	1,447	2,023	2,465	2,222
Total expenses		1,081,313	1,188,973	631,426	614,455	1,712,739	1,803,428	3,679	4,180	1,716,418	1,807,608
(Deficit)/Surplus before grants from ministries	26	(446,784)	(665,623)	(396,821)	(439,168)	(843,605)	(1,104,791)	470,559	42,192	(373,046)	(1,062,599)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2021

	Note	General fund						Endowment fund		Total	
		Designated		Specific		Total		2021	2020	2021	2020
		2021	2020	2021	2020	2021	2020				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group (cont'd)											
Grants from ministries											
Development grants	13	5,351	8,507	1,313	4,468	6,664	12,975	-	-	6,664	12,975
Operating grants	27	562,267	566,932	-	206	562,267	567,138	-	-	562,267	567,138
Research grants	17	-	-	220,782	246,928	220,782	246,928	-	-	220,782	246,928
Other grants		14,406	35,645	106,086	45,101	120,492	80,746	-	-	120,492	80,746
Government grant income	24	52,931	-	-	-	52,931	-	-	-	52,931	-
Deferred capital grants amortised	12	29,788	43,382	148,150	144,527	177,938	187,909	-	-	177,938	187,909
Total grants from ministries		664,743	654,466	476,331	441,230	1,141,074	1,095,696	-	-	1,141,074	1,095,696
Surplus/(Deficit) after grants from ministries											
		217,959	(11,157)	79,510	2,062	297,469	(9,095)	470,559	42,192	768,028	33,097
Taxation	28	(2)	(268)	-	-	(2)	(268)	-	-	(2)	(268)
Surplus/(Deficit) for the year representing total comprehensive income/ (loss) for the year											
		217,957	(11,425)	79,510	2,062	297,467	(9,363)	470,559	42,192	768,026	32,829

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN FUNDS AND RESERVES

Year ended 31 March 2021

	Capital account \$'000	Endowment fund \$'000	Accumulated surplus General fund		Total \$'000
			Designated \$'000	Specific \$'000	
Group					
At 31 Mar 2019, as previously reported	200,858	2,038,964	973,365	599,759	3,812,946
Reclassification	-	-	336,872	(336,872)	-
At 1 April 2019, restated	200,858	2,038,964	1,310,237	262,887	3,812,946
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	42,192	(11,425)	2,062	32,829
<i>Transactions recognised directly in funds:</i>					
Donations	-	28,320	-	-	28,320
Government matching grants	-	53,315	-	-	53,315
Fund transfers	-	(49,663)	55,570	(5,907)	-
At 31 March 2020	200,858	2,113,128	1,354,382	259,042	3,927,410
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus for the year	-	470,559	217,957	79,510	768,026
<i>Transactions recognised directly in funds:</i>					
Donations	-	9,825	-	-	9,825
Government matching grants	-	38,667	-	-	38,667
Fund transfers	-	(58,472)	59,769	(1,297)	-
At 31 March 2021	200,858	2,573,707	1,632,108	337,255	4,743,928
University Company					
At 31 Mar 2019, as previously reported	200,858	2,039,467	935,269	609,915	3,785,509
Reclassification	-	-	340,991	(340,991)	-
At 1 April 2019, restated	200,858	2,039,467	1,276,260	268,924	3,785,509
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus/(Deficit) for the year	-	42,192	(16,697)	863	26,358
<i>Transactions recognised directly in funds:</i>					
Donations	-	28,320	-	-	28,320
Government matching grants	-	53,315	-	-	53,315
Fund transfers	-	(49,663)	55,570	(5,907)	-
At 31 March 2020	200,858	2,113,631	1,315,133	263,880	3,893,502
<i>Total comprehensive income/(loss) for the year:</i>					
Surplus for the year	-	470,559	216,158	79,165	765,882
<i>Transactions recognised directly in funds:</i>					
Donations	-	9,825	-	-	9,825
Government matching grants	-	38,667	-	-	38,667
Fund transfers	-	(58,472)	59,769	(1,297)	-
At 31 March 2021	200,858	2,574,210	1,591,060	341,748	4,707,876

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2021

	Note	2021 \$'000	2020 \$'000
Group			
Operating activities			
Deficit before grants from ministries		(373,046)	(1,062,599)
Adjustments for:			
Research grant income		(133,402)	(123,954)
Depreciation of property, plant and equipment		264,020	272,739
Amortisation of intangible assets		2,448	2,977
Loss on disposal of property, plant and equipment		597	1,199
Profit on investments		(666,296)	(63,486)
Deferred capital grants amortised (non-ministry)		(31,534)	(36,346)
Interest income		(3,768)	(8,417)
Share of associate and joint venture's results		(351)	(1,219)
Interest expense on lease liabilities		138	162
		(941,194)	(1,018,944)
Changes in working capital:			
Other payables		(297)	21,382
Trade and other receivables		(33,847)	(84,874)
Deferred tuition and other fees		20,381	2,323
Loans repaid by students		148	224
Cash used in operations		(954,809)	(1,079,889)
Donations received for Endowment Fund		9,825	28,320
Income taxes paid		(257)	(262)
Interest paid		(138)	(162)
Cash flows used in operating activities		(945,379)	(1,051,993)
Investing activities			
Acquisition of property, plant and equipment		(134,081)	(166,119)
Acquisition of intangible assets		(923)	(527)
Purchase of financial assets		(847,044)	(1,562,045)
Proceeds from disposal of property, plant and equipment		423	423
Proceeds from sale of financial assets		787,484	1,700,734
Investment in associate/joint venture		-	(13,070)
Increase/(Decrease) in money market funds and cash held by custodian banks	11	29,872	(161,767)
Interest received		5,697	8,491
Cash flows used in investing activities		(158,572)	(193,880)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2021

	Note	2021 \$'000	2020 \$'000
Financing activities			
Sinking fund received		-	47,725
IT and F&E grant received		22,600	23,161
Research grants received		371,505	457,183
Operating grants received, net of payment of goods and service tax expense on tuition fees and tuition grants		550,217	503,133
Development grants and related income received		18,396	32,003
Government ministry grants received		159,159	202,227
Job Support Scheme grants received		103,085	-
Repayment of borrowings		(5,700)	(10,500)
Repayment of lease liabilities		(5,147)	(2,744)
Cash flows from financing activities		1,214,115	1,252,188
Net increase in cash and cash equivalents		110,164	6,315
Cash and cash equivalents at beginning of the year		997,719	991,404
Cash and cash equivalents at end of the year	11	1,107,883	997,719

The accompanying notes form an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

1 GENERAL

Nanyang Technological University ("NTU" or the "University Company") is incorporated and domiciled in Singapore as a Company limited by guarantee under the Singapore Companies Act, Chapter 50. The University Company's registered office and place of business is located at 50 Nanyang Avenue Singapore 639798. The financial statements are expressed in Singapore dollars.

The University Company is principally engaged in the advancement and dissemination of knowledge, the promotion of research and scholarships and the conferring and awarding of degrees, diplomas and certificates.

The principal activities of the subsidiaries are set out in Note 5.

As the operations of the University Company is substantially funded by the Ministry of Education ("MOE" or the "Government Ministry") through government grants, with MOE having the power to appoint and remove members to the Board of Trustees of the University Company, MOE is regarded as the parent entity.

The consolidated financial statements relate to the University Company and its subsidiaries (referred to as the "Group"). The consolidated financial statements of the Group and statement of financial position and statement of changes in funds and reserves of the University Company for the year ended 31 March 2021 were authorised for issue by the Board of Trustees on 19 August 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Basis of measurement

The financial statements have been prepared in accordance with the historical cost basis except otherwise disclosed below, and are drawn up in accordance with the provisions of the Singapore Companies Act, the Charities Act and Financial Reporting Standards in Singapore ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- *Level 2*: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(b) Functional and presentation currency

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and equity of the University Company are presented in Singapore dollars, which is the functional currency of the University Company and the presentation currency for the consolidated financial statements.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

(c) Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below.

- Notes 2.9, 8 and 10 - valuation of financial instruments

Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group obtains valuations from third party fund managers/fund administrators/custodian banks. The valuations are determined using market-observable data to the extent it is available. Where Level 1 inputs are not available, the fund managers/fund administrators/custodian banks establish the fair value of the investments using the net asset value at the end of the reporting period.

Derivative financial instruments

The fair value of derivatives (foreign currency forwards) is estimated by discounting the difference between the contractual forward price and the current forward price for the residual period to maturity of the contract.

Financial assets at fair value through profit or loss

The fair values of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The Group and University Company also holds unquoted investments, of which the valuation methodologies are set out in Note 10.

(d) Adoption of new and revised standards

On 1 April 2020, the Group has adopted all the new and revised FRS pronouncements that are relevant to its operations. The adoption of these new/revised FRS pronouncements does not result in changes to the Group's and University Company's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

2.2 Consolidation

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the University Company and entities controlled by the University Company and its subsidiaries. Control is achieved when the University Company:

- (i) Has power over the investee;
- (ii) Is exposed, or has rights, to variable returns from its involvement with the investee; and
- (iii) Has the ability to use its power to affect its returns.

The University Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Consolidation (cont'd)

Basis of consolidation (cont'd)

When the University Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The University Company considers all relevant facts and circumstances in assessing whether or not the University Company's voting rights in an investee are sufficient to give it power, including:

- (i) The size of the University Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the University Company, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and
- (iv) Any additional facts and circumstances that indicate that the University Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the University Company obtains control over the subsidiary and ceases when the University Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the University Company gains control until the date when the University Company ceases to control the subsidiary.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as funds and reserves, it is not remeasured and settlement is accounted for within funds and reserves. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the consolidated statement of comprehensive income.

Associate and Joint venture

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures and associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in joint venture or an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture or associate. When the Group's share of losses of a joint venture or associate exceeds the Group's interest in that joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Consolidation (cont'd)

Associate and Joint venture (cont'd)

An investment in a joint venture or an associate is accounted for using the equity method from the date on which the investee becomes a joint venture or an associate. On acquisition of the investment in a joint venture or an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When a Group entity transacts with a joint venture or an associate of the Group, profits and losses resulting from the transactions with the joint venture or associate are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture or associate that are not related to the Group.

2.3 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated to the functional currency at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated to the functional currency at the rates prevailing on the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to the functional currency of the University Company and the presentation currency for the consolidated financial statements at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates ruling at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign exchange translation reserves is transferred to profit or loss as part of the gain or loss on disposal.

2.4 Funds

Assets and liabilities of all funds are pooled in the statements of financial position.

General Fund

Income and expenditure are generally accounted for under the "General Fund" in the consolidated statement of comprehensive income. General Fund comprise "Designated" and "Specific".

"Designated" includes funds set aside for the operational activities of the University.

"Specific" relates to funds that are subject to legal or grantor imposed conditions such as funds from externally funded research grants, development grants, sinking fund as well as externally funded scholarships, bursaries and sponsorships.

The use of these funds are governed by the terms and conditions set out by the respective funds.

Endowment fund

The Endowment Fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable properties. The objectives of this fund comprise the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research.

Donations received and Government matching grants received/receivable during the year are taken directly to the statement of changes in funds and reserves. Income and expenditure arising from the management of the Endowment Fund are taken to the consolidated statement of comprehensive income of the Endowment Fund.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Grants and sinking fund

Grants and sinking fund from the Government Ministry, other ministries and statutory boards and contributions received/receivable from other organisations for the purchase of depreciable assets or to finance research or capital projects are taken to the grants received in advance account in the first instance. They are taken to the deferred capital grants account upon the utilisation of the grants for purchase of assets, which are capitalised, or to profit or loss for purchase of assets which are written off in the year of purchase.

Deferred capital grants are recognised in the profit or loss over the periods necessary to match the depreciation, write off and/or impairment loss of the assets purchased with the related grants. Upon the disposal of property, plant and equipment, the balance of the related deferred capital grants is recognised in profit or loss to match the net book value of the property, plant and equipment being disposed off.

Development grant is recognised when there is reasonable assurance that the University Company will comply with the conditions attach to them and that the grants will be received.

Information Technology and Furniture and Equipment ("IT and F&E") grants received from the Government Ministry are for the purchase of information technology appliances and furniture and equipment to support teaching and administrative function of the University Company. These grants are taken to the grants received in advance account in the first instance. They are taken to deferred capital grants account upon the utilisation of the grants for purchase of assets, which are capitalised, or to the profit or loss for purchase of assets which are written off in the year of purchase.

Grants from the Government Ministry and other ministries to meet the current year's operating expenses are recognised as income in the same year these operating expenses were incurred.

All grants and contributions are accounted for on the accrual basis.

Wage Credit scheme and Special Employment Credit scheme

Cash grants received from the government in relation to the Wage Credit scheme and Special Employment Credit scheme are recognised upon receipt. Such grants are provided to defray the wage costs incurred and are offset against manpower costs in the financial statements.

2.6 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land alienated to the Group and University Company which are stated at values provided by the Government. Donated assets are stated at valuation at initial recognition.

The freehold land of the Group and the University Company were stated at valuation carried out in December 1987 based on values in a valuation report from the Commissioner of Lands. The revaluation was done on a one-off basis and accordingly, the transitional provision in FRS 16 - *Property, Plant and Equipment* was adopted to continue with its existing policy of stating the freehold land at deemed cost. This revaluation surplus was credited directly to the Capital Account. Upon disposal, any related revaluation surplus is transferred from the Capital Account to accumulated surplus and is not taken into account in arriving at the gain or loss on disposal.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment costing less than \$2,000 each, renovation costing \$100,000 and below and library books are generally charged to profit or loss in the year of purchase.

The gain or loss on disposal of an item of property, plant and equipment recognised in profit or loss is derived from the proceeds from disposal and the carrying amount of property, plant and equipment.

Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Property, plant and equipment (cont'd)

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Except for freehold land and buildings under construction which are not depreciated, depreciation on other property, plant and equipment is recognised in the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives (or lease term, if shorter) of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Buildings and infrastructure	3 to 30 years
Leasehold land	10 to 30 years
Improvement works	5 years
Machinery, laboratory and workshop equipment	6 years
Furniture and office equipment	3 to 5 years
Transportation equipment	8 years
Others	8 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Buildings under construction are stated at cost, less any recognised impairment loss, if any. Expenditure relating to the construction of projects are capitalised when incurred. No depreciation is charged on building under construction until the building under construction is completed and the related property, plant and equipment are transferred to the respective property, plant and equipment categories and depreciated accordingly.

2.7 Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives, on the following base:

Application Software	-	3 years
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The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment annually and whenever there is an indication that the asset may be impaired.

2.8 Impairment - non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the consolidated statement of comprehensive income unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Impairment - non-financial assets (cont'd)

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

2.9 Financial instruments – Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Non-derivative financial assets

All financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(a) *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

(b) *Financial assets at FVTPL*

Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 31.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments (cont'd)

Non-derivative financial assets (cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets which are subject to impairment under FRS 109. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises 12-month ECL for all financial assets as the credit risk on the financial asset has not increased significantly since initial recognition. If subsequently, there has been a significant increase in credit risk since initial recognition, the Group will recognise lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring since initial recognition.

The 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. In contrast, lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. The expected credit losses on these financial assets are estimated using the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are significantly past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial instruments (cont'd)

Non-derivative financial liabilities

The Group recognises financial liabilities when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities comprise loans and borrowings and other payables and accruals.

Derivative financial instruments and hedging instruments

The Group holds derivative financial instruments, through its external fund managers, to hedge its foreign currency exposure. Further details of derivative financial instruments are disclosed in Note 8 to the financial statements.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

Derivatives are recognised initially at fair value; any attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein accounted for in the profit or loss.

2.10 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations, including accumulated compensated absences, are measured on an undiscounted basis and are expensed as the related services are provided.

2.11 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income and expenditure; temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.13 Income recognition

Student fees

Income from tuition and other fees are recognised over time in the period in which the services are rendered.

Tuition fees are deferred as the billing for tuition fees cover the academic year, which does not coincide with the financial year of the Group. The aggregate amount of the tuition fees allocated to performance obligations that have yet been satisfied for services as at the end of the reporting period is \$117,211,000 (2020 : \$96,830,000). Management expects that full amount will be recognised as revenue during the next reporting period.

Management fees

Management fees are recognised at point in time upon services rendered.

Donations and sponsorships

Unconditional donations and sponsorships are recognised at point in time upon receipt.

Licence fees

Licence fees are recognised at point in time in accordance with terms of licensing agreement.

Royalties

Royalties are recognised at point in time on sale, by licensor, of products using the technology granted.

Dividends

Dividends are recognised in the financial year in which the right to receive payment is established.

Rental income

Rental income receivable under operating leases is recognised in the profit or loss on a straight-line basis over the term of the lease.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Finance income and finance costs

Finance income comprises interest income generated from fixed deposits and bank deposits. Interest income is recognised as it accrues in the profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and lease liabilities. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit or loss using the effective interest method.

2.15 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Leases (cont'd)

The Group as lessee (cont'd)

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. The costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented together with "Property, Plant and Equipment" in the statements of financial position.

The Group applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in "Impairment of Non-Financial Assets".

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has used this practical expedient.

2.16 Key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Board of Trustees and senior management team are considered as key management personnel of the Group.

2.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.18 New standards and on interpretations not yet adopted

At the date of authorisation of these financial statements, the following FRS pronouncements relevant to the Group and the University Company was issued but not yet effective:

- Amendments to FRS 103 *Reference to the Conceptual Framework* ⁽¹⁾
- Amendments to FRS 116 *Property, Plant and Equipment - Proceeds before Intended Use* ⁽¹⁾
- Amendments to FRS 37 *Onerous Contracts - Cost of Fulfilling a Contract* ⁽¹⁾
- Annual Improvements to FRSs 2018-2020 ⁽¹⁾
- Amendments to FRS 1 *Classification of Liabilities as Current or Non-current* ⁽²⁾

⁽¹⁾ Applies to annual periods beginning on or after January 1, 2022.

⁽²⁾ Applies to annual periods beginning on or after January 1, 2023.

Management anticipates that the adoption of the above amendments to FRS in future periods will not have a material impact on the financial statements of the Group and the University Company in the period of their initial adoption.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

3 PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land^	Buildings and infrastructure	Buildings under construction	Improvement works	Machinery, laboratory and workshop equipment	Furniture and office equipment	Transportation equipment	Others^	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
Cost or valuation										
At 1 April 2019	200,858	-	2,626,198	70,987	292,904	1,493,409	307,688	12,229	9,419	5,013,692
Adoption of FRS 116	-	38,639	-	-	-	-	-	-	4,455	43,094
Additions	-	-	3,182	83,429	3,343	51,642	25,231	974	3,743	171,544
Disposals	-	-	(2,222)	-	(3,528)	(59,162)	(22,623)	(268)	(539)	(88,342)
Reclassifications	-	-	20,711	(94,448)	5,002	63,141	3,502	1,797	295	-
At 31 March 2020	200,858	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	5,139,988
Additions	-	-	1,212	51,281	1,694	66,615	12,885	223	3,709	137,619
Disposals/ Writeoff	-	-	(365)	-	(184,123)	(36,473)	(17,617)	(560)	(88)	(239,226)
Reclassifications	-	-	(169,046)	(18,462)	168,642	41,542	(23,399)	(5)	728	-
At 31 March 2021	200,858	38,639	2,479,670	92,787	283,934	1,620,714	285,667	14,390	21,722	5,038,381
Comprising										
31 March 2020										
At cost	-	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	4,939,130
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,647,869	59,968	297,721	1,549,030	313,798	14,732	17,373	5,139,988
31 March 2021										
At cost	-	38,639	2,479,670	92,787	283,934	1,620,714	285,667	14,390	21,722	4,837,523
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,479,670	92,787	283,934	1,620,714	285,667	14,390	21,722	5,038,381
Accumulated depreciation										
At 1 April 2019	-	-	1,498,952	-	224,410	1,022,523	235,062	6,260	3,889	2,991,096
Depreciation for the year	-	1,840	57,033	-	28,210	150,913	30,288	1,280	3,175	272,739
Disposals	-	-	(2,153)	-	(3,096)	(58,166)	(22,493)	(268)	(469)	(86,645)
At 31 March 2020	-	1,840	1,553,832	-	249,524	1,115,270	242,857	7,272	6,595	3,177,190
Depreciation for the year	-	1,840	58,561	-	22,015	150,411	24,441	1,322	5,430	264,020
Disposals/ Writeoff	-	-	(365)	-	(183,958)	(35,823)	(17,471)	(498)	(43)	(238,158)
Reclassifications	-	-	(171,053)	-	166,566	20,806	(17,642)	-	1,323	-
At 31 March 2021	-	3,680	1,440,975	-	254,147	1,250,664	232,185	8,096	13,305	3,203,052
Carrying amount										
At 31 March 2020	200,858	36,799	1,094,037	59,968	48,197	433,760	70,941	7,460	10,778	1,962,798
At 31 March 2021	200,858	34,959	1,038,695	92,787	29,787	370,050	53,482	6,294	8,417	1,835,329

^ Right-of use assets include leasehold land and office premises which are classified as part of "Others".

The Group leases land and office premises for University's operations. As at 31 March 2021, the Group is committed to \$1,631,000 (2020 : \$839,000) for short-term and low value leases. The total cash outflow for leases for 2021 amounted to \$5,285,000 (2020 : \$2,906,000).

NOTES TO FINANCIAL STATEMENTS

31 March 2021

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land	Leasehold land [^]	Buildings and infrastructure	Buildings under construction	Improvement works	Machinery, laboratory and workshop equipment	Furniture and office equipment	Transportation equipment	Others [^]	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
University Company										
Cost or valuation										
At 1 April 2019	200,858	-	2,626,198	70,987	289,662	1,491,416	305,313	12,229	9,419	5,006,082
Adoption of FRS 116	-	38,639	-	-	-	-	-	-	472	39,111
Additions	-	-	3,182	83,429	3,203	51,362	24,738	974	3,325	170,213
Disposals	-	-	(2,222)	-	(3,450)	(59,042)	(22,002)	(268)	(605)	(87,589)
Reclassifications	-	-	20,711	(94,448)	5,002	63,136	3,507	1,797	295	-
At 31 March 2020	200,858	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	5,127,817
Additions	-	-	1,212	51,281	1,235	65,727	12,738	223	171	132,587
Disposals/ Writeoff	-	-	(365)	-	(184,031)	(36,473)	(17,448)	(560)	(38)	(238,915)
Reclassifications	-	-	(169,046)	(18,462)	168,642	41,537	(23,394)	(5)	728	-
At 31 March 2021	200,858	38,639	2,479,670	92,787	280,263	1,617,663	283,452	14,390	13,767	5,021,489
Comprising										
31 March 2020										
At cost	-	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	4,926,959
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,647,869	59,968	294,417	1,546,872	311,556	14,732	12,906	5,127,817
31 March 2021										
At cost	-	38,639	2,479,670	92,787	280,263	1,617,663	283,452	14,390	13,767	4,820,631
At valuation	200,858	-	-	-	-	-	-	-	-	200,858
	200,858	38,639	2,479,670	92,787	280,263	1,617,663	283,452	14,390	13,767	5,021,489
Accumulated depreciation										
At 1 April 2019	-	-	1,498,952	-	222,588	1,021,718	233,646	6,260	3,889	2,987,053
Depreciation for the year	-	1,840	57,033	-	27,868	150,539	29,939	1,280	1,024	269,523
Disposals	-	-	(2,153)	-	(3,092)	(58,053)	(21,938)	(268)	(469)	(85,973)
At 31 March 2020	-	1,840	1,553,832	-	247,364	1,114,204	241,647	7,272	4,444	3,170,603
Depreciation for the year	-	1,840	58,561	-	21,602	149,925	24,020	1,322	3,173	260,443
Disposals/ Writeoff	-	-	(365)	-	(183,865)	(35,808)	(17,368)	(498)	(38)	(237,942)
Reclassifications	-	-	(171,053)	-	166,566	20,806	(17,642)	-	1,323	-
At 31 March 2021	-	3,680	1,440,975	-	251,667	1,249,127	230,657	8,096	8,902	3,193,104
Carrying amount										
At 31 March 2020	200,858	36,799	1,094,037	59,968	47,053	432,668	69,909	7,460	8,462	1,957,214
At 31 March 2021	200,858	34,959	1,038,695	92,787	28,596	368,536	52,795	6,294	4,865	1,828,385

[^] Right-of use assets include leasehold land and office premises which are classified as part of "Others".

NOTES TO FINANCIAL STATEMENTS

31 March 2021

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The freehold land of the Group and the University Company were stated at valuation carried out in December 1987 based on values in a valuation report from the Commissioner of Lands. The revaluation was recorded under "Capital Account" (Note 20) on a one-off basis and accordingly, the transitional provision in FRS 16 - *Property, Plant and Equipment* was adopted to continue with its existing policy of stating the freehold land at deemed cost.

The University Company leases land and office premises for University's operations. As at 31 March 2021, the University Company is committed to \$1,516,000 (2020 : \$766,000) for short-term and low value leases. The total cash outflow for leases for 2021 amounted to \$2,918,000 (2020 : \$732,000).

Amounts recognised in profit or loss

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Depreciation expense on right-of-use assets	6,808	4,521	4,551	2,370
Interest expense on lease liabilities	138	162	72	66
Expenses relating to short-term and low value leases	728	2,271	471	1,893

4 INTANGIBLE ASSETS

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cost				
At 1 April	13,841	15,464	12,579	15,043
Additions	989	2,478	554	1,637
Disposals	(699)	(4,101)	(681)	(4,101)
At 31 March	14,131	13,841	12,452	12,579
Accumulated amortisation				
At 1 April	8,257	5,280	8,059	5,280
Amortisation charge for the year	2,448	2,977	2,143	2,779
Disposals	(681)	-	(681)	-
At 31 March	10,024	8,257	9,521	8,059
Carrying amount				
At 31 March	4,107	5,584	2,931	4,520

5 SUBSIDIARIES

	University Company	
	2021	2020
	\$'000	\$'000
Equity investments at cost	500	500
	500	500

NOTES TO FINANCIAL STATEMENTS

31 March 2021

5 SUBSIDIARIES (CONT'D)

Details of subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Ownership interest		Principal activities
		2021	2020	
		%	%	
Held by the University Company				
@ Nanyang Technological University - NTUitive Pte Ltd	Singapore	100	100	Innovation and enterprise company of NTU.
@ NTU Holdings Pte Ltd	Singapore	100	100	Investment holding.
@ Singapore Centre for Chinese Language Limited	Singapore	100	100	Provision of training/professional development courses for Chinese language teachers and conduct of educational research and activities.
@ NIE International Private Limited	Singapore	100	100	Provision of training programs in teacher education and school leadership.
@ Interim Services Pte Ltd ⁽ⁱ⁾ (formerly known as Wealth Management Institute Pte Ltd)	Singapore	100	100	Provision of education and training services for professional and management development.
@ National Institute of Early Childhood Development	Singapore	100	100	Provision of pre-service and continuing education and training for professionals in early childhood development.
Held by Nanyang Technological University - NTUitive Pte Ltd				
@ Code Farm Pte Ltd ⁽ⁱ⁾	Singapore	100	100	Research and development of other software and programming activities.
@ Systemed Pte Ltd ⁽ⁱ⁾	Singapore	100	100	Development and commercialisation in medical technology.
Held by NTU Holdings Pte Ltd				
* Nanyang Venture Consulting (Shanghai) Co., Ltd	China	100	100	Consultant for enterprise management, technology and education.
@ Confucius Institute, NTU Pte Ltd	Singapore	100	100	Promotion of Chinese language, culture and support of local Chinese teaching.
Held by Nanyang Venture Consulting (Shanghai) Co., Ltd				
* Nanyang Venture Consulting (Beijing) Co., Ltd	China	100	100	Consultant for enterprise management, technology and education.
* Audited by overseas practices of Deloitte Touche Tohmatsu Limited.				
@ Audited by Deloitte & Touche LLP, Singapore.				
(i) These companies are in the process of liquidation as at 31 March 2021.				

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6 ASSOCIATE AND JOINT VENTURE

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cost of investment	13,458	13,458	13,063	13,063
Share of post-acquisition profit	1,564	1,213	1,783	1,344
	15,022	14,671	14,846	14,407

Details of the associates are as follows:

Name of associate	Country of incorporation	Group's proportion of ownership interest/ voting power held		Principal activities
		2021	2020	
		%	%	
Friends of NTU ⁽ⁱ⁾	United States	-	40	Promote the advancement of NTU in United States.
GenomeAsia 100k Ltd ⁽ⁱⁱ⁾	Singapore	33.3	33.3	Data Processing and related activities.

Details of the joint ventures are as follows:

Name of joint venturer	Country of incorporation	Group's proportion of ownership interest/ voting power held		Principal activities
		2021	2020	
		%	%	
Lushang (Nanyang) Pte Ltd ⁽ⁱⁱⁱ⁾	Singapore	30	30	Other information technology and computer service activities.
Secur3DP+ Pte Ltd ^(iv)	Singapore	47.5	47.5	To develop and monetise certain intellectual property assets relating to 3D printing in Singapore.
SRIF Amcorp Pte. Ltd. ^(v)	Singapore	25	25	Investment holding.

- (i) During the year, the representatives from the Group stepped down as Board members of the associate, leading to a loss of significant influence of the associate.
- (ii) Upon dissolution of the associate and settlement of all debts and liabilities, the remaining residual investment will be transferred to NTU as the preferred charitable organisation.
- (iii) The Group determined that it has joint control over Lushang (Nanyang) Pte Ltd by virtue that all significant matters requiring unanimous approval by all the directors and shareholders.
- (iv) The Group determined that it has joint control over Secur3DP+ Pte Ltd based on the joint venture agreement.
- (v) The Group determined that it has joint control over SRIF Amcorp Pte Ltd based on the joint venture agreement.

7 STUDENT LOANS

	Group and University Company	
	2021	2020
	\$'000	\$'000
Student loans	3,961	4,109
Represented by:		
- Amount repayable within 12 months	1,784	1,669
- Amount repayable after 12 months	2,177	2,440
	3,961	4,109

The student loans are unsecured, interest-free and repayable over a period of 2 to 5 years.

NOTES TO FINANCIAL STATEMENTS

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8 DERIVATIVE FINANCIAL INSTRUMENTS

The table below sets out the notional principal amounts and the positive and negative fair values of the Group's and University Company's outstanding derivative financial instruments at the end of the reporting period (comprising foreign currency forwards denominated in United States dollar). Positive and negative fair values represent the mark-to-market values of the derivative contracts and are termed as derivative assets and derivative liabilities respectively. Notional principal amounts are the amount of principal underlying the contract at the end of reporting date.

	Contractual maturity		Fair value
	Within 1 year	Total	Derivative liabilities
	\$'000	\$'000	\$'000
Group and University Company			
2021			
Foreign currency forwards	712,639	712,639	19,935
2020			
Foreign currency forwards	589,140	589,140	20,075

Changes in the fair value of the foreign currency forwards are included as part of the fair value gain/(loss) on derivative financial instruments in Note 25.

9 TRADE AND OTHER RECEIVABLES

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Trade receivables		47,332	39,775	45,498	36,571
Interest receivables		320	2,249	312	2,198
Operating grant receivables		21,202	4,825	19,000	3,492
Research grant receivables		245,962	206,514	241,585	206,514
Job Support Scheme (JSS) grant receivables	19	6,151	33,485	6,033	31,443
Grants receivables	13	138	172	138	172
Other receivables		205,320	160,226	199,806	153,745
Loss allowance for doubtful receivables		(13,088)	(11,070)	(12,377)	(10,434)
		192,232	149,156	187,429	143,311
Amounts due from subsidiaries (trade)		-	-	573	488
Loss allowance for doubtful receivables		-	-	(159)	(168)
		-	-	414	320
Amounts due from subsidiaries (non-trade)		-	-	1,015	1,015
Loss allowance for doubtful receivables		-	-	(1,015)	(1,015)
		-	-	-	-
Amounts due from joint venture and associates		29	-	29	-
Financial assets at amortised cost		513,366	436,176	500,438	424,021
Prepayments		17,816	25,214	17,032	24,703
		531,182	461,390	517,470	448,724

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

9 TRADE AND OTHER RECEIVABLES (CONT'D)

Credit risk relating to trade receivables is minimal as these receivables are from statutory boards, ministries and companies who provided funding for research activities. The Group's historical experience in the collection of accounts receivables falls within the recorded allowances.

Credit risk for other grant receivables is limited as these relate mainly to receivables from the Government Ministry.

Loss allowance for trade and other receivables has been measured at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade and other receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Quoted fixed income investments	237,205	427,014	236,951	426,757
Quoted equity investments	1,787,984	1,158,797	1,787,874	1,158,715
Unquoted investments	1,469,204	1,213,422	1,466,096	1,208,939
Other investments	7,284	6,600	1,659	1,659
	3,501,677	2,805,833	3,492,580	2,796,070

The Group's and University Company's investments are mainly managed by external fund managers. The fair values of the financial instruments traded in active markets are based on quoted market prices at the end of the reporting period.

Quoted fixed income investments include investments in fixed income instruments via segregated accounts and pooled vehicles. Quoted equity investments represent investments in quoted equities via segregated accounts and pooled vehicles. The unquoted investments represent investments in private equity funds, hedge funds and limited partnerships. The fair values of these unquoted investments are based on net asset values provided by fund managers, fund administrators and external valuations. Other investments include convertible notes of \$5,625,000 (2020 : \$4,941,000).

The Group's and University Company's investments comprise financial instruments (quoted fixed income, quoted equity, unquoted investments and other investments) managed by external fund managers and cash balances and bank deposits as follows:

		Group		University Company	
	Note	2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss		3,501,677	2,805,833	3,492,580	2,796,070
Cash balances and bank deposits	11	120,797	127,831	120,797	127,831
		3,622,474	2,933,664	3,613,377	2,923,901

The cash balances and bank deposits are included as a component in the cash and cash equivalents in Note 11 for the purpose of disclosure.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

The weighted average interest rates of quoted fixed income securities at the end of the reporting period and the periods in which they mature are as follows:

	Effective interest rate per annum %	Fixed interest rate securities maturing			Total \$'000
		Less than 1 year \$'000	In 1 to 5 years \$'000	After 5 years \$'000	
Group					
2021	0.4 to 3.3	-	94,509	142,418	236,927
2020	0.6 to 3.3	-	181,521	243,379	424,900
University Company					
2021	0.4 to 2.8	-	94,251	142,418	236,669
2020	0.6 to 2.9	-	181,263	243,379	424,642

11 CASH AND CASH EQUIVALENTS

	Note	Group		University Company	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Operating					
Cash at bank and in hand		416,673	457,449	386,288	419,499
Deposit with financial institutions		570,413	412,439	562,544	405,280
		987,086	869,888	948,832	824,779
Investments					
Cash at bank and in hand		40,348	77,254	40,348	77,254
Money market funds and cash held by custodian banks		80,449	50,577	80,449	50,577
	10	120,797	127,831	120,797	127,831
Cash and cash equivalents		1,107,883	997,719	1,069,629	952,610

NOTES TO FINANCIAL STATEMENTS

31 March 2021

12 DEFERRED CAPITAL GRANTS

	Government ministries		Statutory boards		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
At 1 April	1,055,304	1,197,334	74,866	80,216	28,143	32,939	1,158,313	1,310,489
Add:								
Grants received for capital expenditure and development project transferred from								
- Operating grants (Note 27)	5,288	5,401	-	-	-	-	5,288	5,401
- Research grants (Note 17)	22,294	20,918	22,179	12,328	3,029	2,049	47,502	35,295
- Development grants (Note 13)	35,923	15,388	-	-	-	-	35,923	15,388
- Other grants	203	4,172	5,248	8,165	2,289	3,552	7,740	15,889
Assets donated by various organisations	-	-	-	-	1,677	106	1,677	106
	63,708	45,879	27,427	20,493	6,995	5,707	98,130	72,079
Less:								
Grants taken to profit or loss								
- Amortisation charge for the year	177,763	187,466	21,705	25,514	9,646	10,458	209,114	223,438
- On disposal of fixed assets	175	443	174	329	9	45	358	817
	177,938	187,909	21,879	25,843	9,655	10,503	209,472	224,255
At 31 March	941,074	1,055,304	80,414	74,866	25,483	28,143	1,046,971	1,158,313
University Company								
At 1 April	1,052,686	1,195,800	74,866	80,216	28,143	32,939	1,155,695	1,308,955
Add:								
Grants received for capital expenditure and development project transferred from								
- Operating grants	4,654	5,080	-	-	-	-	4,654	5,080
- Research grants (Note 17)	22,294	20,918	22,179	12,328	3,029	2,049	47,502	35,295
- Development grants (Note 13)	35,737	13,980	-	-	-	-	35,737	13,980
- Other grants	203	4,172	5,248	8,165	2,289	3,552	7,740	15,889
Assets donated by various organisations	-	-	-	-	1,677	106	1,677	106
	62,888	44,150	27,427	20,493	6,995	5,707	97,310	70,350
Less:								
Grants taken to profit or loss								
- Amortisation charge for the year	176,897	186,821	21,705	25,514	9,646	10,458	208,248	222,793
- On disposal of fixed assets	175	443	174	329	9	45	358	817
	177,072	187,264	21,879	25,843	9,655	10,503	208,606	223,610
At 31 March	938,502	1,052,686	80,414	74,866	25,483	28,143	1,044,399	1,155,695

NOTES TO FINANCIAL STATEMENTS

31 March 2021

13 GRANTS RECEIVABLE/IT AND F&E GRANTS/SINKING FUND RECEIVED IN ADVANCE

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Grants receivable within 12 months:					
- Development grant	9	138	172	138	172
Grants received in advance:					
- Development grant		(42,967)	(41,472)	(42,967)	(41,472)
- IT and F&E	(a)	(49,094)	(43,559)	(48,632)	(42,997)
- Sinking fund	(b)	(332,759)	(341,414)	(332,759)	(341,414)
Subtotal		(424,820)	(426,445)	(424,358)	(425,883)
Total		(424,682)	(426,273)	(424,220)	(425,711)
Grants received in advance represented as:					
Current portion					
- Development grant		(42,967)	(41,472)	(42,967)	(41,472)
- IT and F&E		(49,094)	(43,559)	(48,632)	(42,997)
- Sinking fund		(25,072)	(27,972)	(25,072)	(27,972)
		(117,133)	(113,003)	(116,671)	(112,441)
Non-current portion					
- Sinking fund		(307,687)	(313,442)	(307,687)	(313,442)
		(424,820)	(426,445)	(424,358)	(425,883)

Movements in grants (received in advance)/receivable:

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
At 1 April		(426,273)	(351,747)	(425,711)	(350,144)
Grants received during the year		(40,996)	(102,889)	(40,823)	(102,336)
		(467,269)	(454,636)	(466,534)	(452,480)
Less:					
Amounts transferred to deferred capital grants	12	35,923	15,388	35,737	13,980
Amounts taken to profit or loss		6,664	12,975	6,577	12,789
At 31 March		(424,682)	(426,273)	(424,220)	(425,711)

These are grants from the Government Ministry and statutory boards for financing development projects.

- (a) This amount relates to grants received in advance for the purchase of IT and F&E items to support teaching and administrative functions.
- (b) This amount relates to sinking fund received in advance from the Government Ministry for the purpose of maintenance and replacement of property, plant and equipment.

NOTES TO FINANCIAL STATEMENTS

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14 PROVISIONS

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Provision for unutilised compensated leave	77,337	63,931	75,611	62,800

The movement in the provision for unutilised compensated leave is as follows:

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
At 1 April	63,931	61,792	62,800	60,747
Provision made during the year	13,406	2,139	12,811	2,053
At 31 March	77,337	63,931	75,611	62,800

15 GRANT RECEIVED IN ADVANCE - OPERATING GRANTS

	Group	
	2021	2020
	\$'000	\$'000
At 1 April	7,884	7,098
Grants received during the year	3,976	4,922
	11,860	12,020
Less:		
Amounts taken to profit or loss	(4,303)	(3,815)
Amounts transferred to deferred capital grants	(634)	(321)
At 31 March	6,923	7,884

This relates to grants received from the Government Ministry to finance the operations of subsidiaries. The balance in this account represents grant received but not utilised at the end of the financial year.

16 SHORT-TERM BORROWINGS

The borrowings are unsecured, bear interest at 0.58% (2020 : 1.51%) per annum and are repayable within the next twelve months from the financial year end.

NOTES TO FINANCIAL STATEMENTS

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17 RESEARCH GRANTS RECEIVED IN ADVANCE

	Note	Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
At 1 April		171,625	87,660	166,392	87,119
Grants received during the year		371,505	457,183	369,183	444,880
		543,130	544,843	535,575	531,999
Less:					
Amounts transferred to deferred capital grants	12	(47,502)	(35,295)	(47,502)	(35,295)
Amounts taken to profit or loss		(354,184)	(370,882)	(342,360)	(363,271)
Amounts transferred to grant receivables		39,448	32,959	35,071	32,959
At 31 March		180,892	171,625	180,784	166,392

These are grants received from the Government Ministry, other ministries, statutory boards and other sources for research activities. The balance in this account represents grants received but not utilised at the end of the financial year.

Research grants awarded to the Group from the Government Ministry, other ministries, statutory boards and other sources in 2021 amounted to \$610,982,000 (2020 : \$587,640,000).

Research grants awarded to the Group from the Government Ministry, other ministries, statutory boards and other sources but not yet disbursed as at end of the financial year amounted to \$1,375,854,000 (2020 : \$1,263,073,000).

18 LEASE LIABILITIES

		Group		University Company	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Maturity analysis:					
Year 1		2,188	4,530	231	2,917
Year 2		1,392	907	185	231
Year 3		637	272	185	185
Year 4		189	189	185	185
Year 5		185	187	185	185
Year 6 onwards		553	739	554	739
		5,144	6,824	1,525	4,442
Less: Unearned interest		(248)	(319)	(188)	(260)
		4,896	6,505	1,337	4,182
Analysed as:					
Current		2,102	4,414	189	2,845
Non-current		2,794	2,091	1,148	1,337
		4,896	6,505	1,337	4,182

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

18 LEASE LIABILITIES (CONT'D)

Reconciliation of lease liabilities arising from financing activities

The table below details changes in the Group's lease liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	1 April 2020	Financing cash flows	<u>Non-cash</u> New lease liabilities	31 March 2021
	\$'000	\$'000	\$'000	\$'000
Lease liabilities	6,505	(5,147)	3,538	4,896

	1 April 2019	Financing cash flows	<u>Non-cash</u> New lease liabilities	31 March 2020
	\$'000	\$'000	\$'000	\$'000
Lease liabilities	6,017	(2,744)	3,232	6,505

19 DEFERRED GRANT INCOME

This relates to the deferred grant income under the Job Support Scheme (JSS) from the Government to support wages during the COVID-19 pandemic.

20 CAPITAL ACCOUNT

The capital account represents the revaluation of the freehold land alienated to Nanyang Technological University (details are set out in Note 3).

21 ENDOWMENT FUND AND GENERAL FUND

The Endowment Fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable properties. The objectives of this fund comprise the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research.

Income and expenditure are generally accounted for under the "General Fund" in the consolidated statement of comprehensive income. General Fund is further presented as "Designated" and "Specific".

"Designated" includes funds set aside for the operational activities of the University.

"Specific" relates to funds that are subject to legal or grantor imposed conditions such as funds from externally funded research grants, development grants, sinking fund as well as externally funded scholarships, bursaries and sponsorships.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

22 FUNDS MANAGED ON BEHALF OF THE GOVERNMENT MINISTRY

Pursuant to the Tuition Fee Loan (TFL), Study Loan (SL) and Overseas Student Program Loan - 50% funded by MOE (OSP) schemes, the University Company acts as agent for these loans schemes and the Government Ministry as the financier providing the funds.

	Group and University Company	
	2021	2020
	\$'000	\$'000
Cash from the Government Ministry:		
At 1 April	203,690	204,222
Cash received	56,390	57,307
Interest income received on behalf of Government Ministry	814	3,351
Repayments	(19,579)	(59,232)
Bad debts (incurred)/recovered	(288)	1,393
Interest income transferred to Government Ministry	(814)	(3,351)
	<u>240,213</u>	<u>203,690</u>
Represented by:		
Cash and bank balances held on behalf	946	870
TFL, SL and OSP	<u>239,267</u>	<u>202,820</u>
Net assets	<u>240,213</u>	<u>203,690</u>

Cash and bank balances of \$946,000 (2020 : \$870,000) are held on behalf of Government Ministry for the purpose of extending study loans to students.

Students on TFL, SL and OSP are to commence repayment upon graduation. Students are given an option to repay by monthly instalments of minimum amount of \$100 over a period of up to 20 years (for TFL and SL) and 5 years (for OSP) after the borrowers' graduation. Interest is charged at the average prime rates of three local banks prevailing on the first day of each quarter, or such other rates as may be determined from time to time. Interest charged in 2021 is 4.75% (2020 : 4.75%) per annum.

The interest on the TFL, SL and OSP is remitted in full to the Government Ministry on a monthly basis.

23 INTEREST INCOME

	Group	
	2021	2020
	\$'000	\$'000
Interest received/receivable:		
- fixed deposits (placed with financial institutions)	3,237	8,134
- bank balances	<u>531</u>	<u>283</u>
	<u>3,768</u>	<u>8,417</u>

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24 GOVERNMENT GRANT INCOME

	Group	
	2021	2020
	\$'000	\$'000
Jobs Support Scheme	52,931	-
	<u>52,931</u>	<u>-</u>

In 2020, the Group received wage support for local employees under the JSS from the Singapore Government as part of the Government's measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Group assessed that there is reasonable assurance that it will comply with the conditions attached to the grants and the grants will be received. Grant income is recognised in profit or loss on a systematic basis over the period of uncertainty in which the related salary costs for which the grant is intended to compensate is recognised as expenses. Management has determined the period of uncertainty to be 17 months commencing from April 2020. Government grant income of \$52,931,000 in relation to JSS was recognised during the year.

25 PROFIT ON INVESTMENTS

	Group	
	2021	2020
	\$'000	\$'000
Interest income	7,602	6,306
Dividend income	2,134	2,317
Fair value gain on financial assets at fair value through profit or loss	634,276	89,632
Fair value gain/(loss) on derivative financial instruments	22,284	(34,769)
	<u>666,296</u>	<u>63,486</u>

The fair value gains/(losses) on financial assets at fair value through profit or loss and on derivative financial instruments comprise net realised and unrealised gains/(losses).

26 DEFICIT BEFORE GRANTS FROM MINISTRIES

The following items have been included in arriving at deficit before grants from ministries:

	Group	
	2021	2020
	\$'000	\$'000
Loss allowance for doubtful receivables	2,018	7,723
Exchange loss	185	130
Operating lease expense	728	2,271
Contribution to defined contribution plans included in expenditure on manpower	75,436	77,531
Government grants - Special Employment Credit and Wage Credit offset against manpower costs	<u>(6,283)</u>	<u>(2,393)</u>

NOTES TO FINANCIAL STATEMENTS

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27 OPERATING GRANTS FROM GOVERNMENT MINISTRY

	Note	Group	
		2021	2020
		\$'000	\$'000
Operating grants received and receivable during the year		617,539	624,732
Payment for goods and services tax on tuition fees and tuition grants		(50,945)	(51,407)
Amounts transferred to:			
- deferred capital grants	12	(5,288)	(5,401)
- grant received in advance	15	961	(786)
Operating grants taken to profit or loss		562,267	567,138

28 TAXATION

The University Company is registered as a charitable institution by virtue of Section 13 of the Income Tax Act, Chapter 134.

The subsidiaries of the Group have unabsorbed tax losses of approximately \$6,419,000 (2020 : \$5,755,000) which are available for offset against future taxable income. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefit.

The unabsorbed tax losses of the subsidiaries are subject to agreement by the tax authorities and compliance with the tax regulations in the respective countries in which certain subsidiaries operate. These temporary differences do not expire under current tax legislation.

	Group	
	2021	2020
	\$'000	\$'000
Current tax expense		
Current year	2	268
Reconciliation of effective tax		
Surplus before income tax	768,028	33,097
Income tax using Singapore tax rates of 17%	130,565	5,626
Income not subject to tax	(130,563)	(5,358)
	2	268

29 COMMITMENTS

Capital commitments

	Group	
	2021	2020
	\$'000	\$'000
Contracted but not provided for	172,257	198,980
Authorised but not contracted for	294,618	312,792

The capital commitments are mainly funded from grants from Government Ministries, subject to satisfying certain terms and conditions.

	Group	
	2021	2020
	\$'000	\$'000
Uncalled capital commitments to unquoted investments		
- contracted but not provided for	503,052	378,513

NOTES TO FINANCIAL STATEMENTS

31 March 2021

29 COMMITMENTS (CONT'D)

Collaboration with Imperial College of Science, Technology and Medicine

On 27 August 2010, NTU and Imperial College of Science, Technology and Medicine entered into an agreement in relation to a collaboration for the establishment and operation of a medical school in Singapore. As at 31 March 2021, NTU's outstanding commitment under the collaboration is estimated at £6.8 million (\$12.5 million) (2020 : £8.1 million (\$13.4 million)) till the expiry of the agreement on 31 July 2028.

30 SIGNIFICANT RELATED PARTY INFORMATION

Related party transactions

The Government of Singapore has control over the Group as the operations of the University Company is substantially funded through Government grants, with MOE having the power to appoint and remove members to the Board of Trustees of the University Company. Consequently, the Group has invoked the exemption from disclosure requirements of FRS 24 in relation to related party transactions and outstanding balances (including commitments) with the Government of Singapore.

The Group has significant transactions with the Government of Singapore in the form of purchase of goods and services and rendering of services. Such purchases and sales are made to various Government agencies in Singapore and collectively approximate \$15.4 million (2020 : \$17.5 million) and \$20.4 million (2020 : \$18.8 million).

Other than disclosed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the year on terms agreed between the parties as follows:

		Group	
		2021	2020
		\$'000	\$'000
(a) Key management personnel compensation			
Short-term employee benefits (includes the remuneration of an executive trustee)		6,518	7,698
(b) Services rendered			
Consultancy fees paid to Trustees		76	103

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Financial assets at amortised cost	1,625,210	1,438,004	1,574,028	1,380,740
Financial assets at FVTPL	3,501,677	2,805,833	3,492,580	2,796,070
	5,126,887	4,243,837	5,066,608	4,176,810
Financial Liabilities				
Financial liabilities at amortised cost	367,089	339,345	352,519	322,799
Derivative financial instruments	19,935	20,075	19,935	20,075
Lease liabilities	4,896	6,505	1,337	4,182
	391,920	365,925	373,791	347,056

NOTES TO FINANCIAL STATEMENTS

31 March 2021

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- interest risk
- price risk
- foreign currency risk
- capital risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Credit risk management

Cash and investments in financial assets

Cash and deposits are placed with reputable financial institutions. Investment portfolios are managed by external fund managers.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations in relation to each class of recognised financial asset is the carrying amount of those assets as stated in the statements of financial position.

The credit risk is diversified over a range of institutions.

Trade and other receivables

Credit risk is the potential loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The carrying amount of financial assets, grossed up for any provision, represents the maximum credit exposure. At the end of the reporting period, the credit risk is mainly due from customers in Singapore but there is no significant concentration of credit risk arising receivables due from any individual other than grant receivables from the Government Ministry.

The Group manages its credit risk with regular monitoring and following up actions for the debts outstanding from debtors. Additional information is set out in Note 9.

The aging of loans and receivables at the reporting date is:

	2021		2020	
	Gross	Loss allowance for doubtful receivables	Gross	Loss allowance for doubtful receivables
	\$'000	\$'000	\$'000	\$'000
Group				
Not past due	478,351	1,214	402,697	523
Past due 1 to 30 days	15,339	150	23,860	412
Past due 31 to 150 days	14,484	1,673	10,405	1,841
More than 151 days	18,280	10,051	10,284	8,294
	<u>526,454</u>	<u>13,088</u>	<u>447,246</u>	<u>11,070</u>
University Company				
Not past due	465,598	1,208	391,430	517
Past due 1 to 30 days	15,177	145	23,318	395
Past due 31 to 150 days	14,493	1,624	10,220	1,792
More than 151 days	18,721	10,574	10,670	8,913
	<u>513,989</u>	<u>13,551</u>	<u>435,638</u>	<u>11,617</u>

NOTES TO FINANCIAL STATEMENTS

31 March 2021

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Credit risk management (cont'd)

The movement in the loss allowance for doubtful receivables in respect of loans and receivables during the year is as follows:

	Group		University Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
At 1 April	11,070	3,347	11,617	4,434
Loss allowance charged	2,018	7,723	1,934	7,183
At 31 March	13,088	11,070	13,551	11,617

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The contracted undiscounted cash outflows on financial liabilities approximate their carrying amounts and are generally settled within one year. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flow. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

In addition, the Group maintains the following lines of credit:

- \$11 million bankers' guarantee facility that is unsecured.
- \$540 million that can be drawn down to meet short-term financing needs.

Interest risk management

Surplus funds from the Group's operations are invested in bank deposits and with fund managers. The Group has no material exposure to interest rate risk from fixed deposits and borrowings as the interest rates are on fixed rate basis. The Group's investments in fixed income securities that are managed by fund managers (classified as financial assets at fair value through profit or loss) are exposed to interest rate risk.

Sensitivity analysis for interest risk

If movements in interest rates result in a 3% (2020 : 3%) appreciation/depreciation in the value of the fixed income investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$7,116,000 (2020 : \$12,810,000).

Market risk - Price risk management

The Group is exposed to equity securities price risk from investments classified as financial assets at fair value through profit or loss. The market values of these investments are affected by, amongst others, changes in market prices as a result of changes in the global economic conditions, macro and micro economic factors affecting the country where the investments are quoted, and factors specific to the investee corporations.

To manage the price risk arising from investment in equity securities, the Group diversifies its portfolio across different markets and industries as appropriate.

Sensitivity analysis for price risk

If movements in financial markets result in a 5% (2020 : 5%) appreciation/depreciation in the value of the quoted equity and other investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$89,763,000 (2020 : \$58,270,000).

If movements in financial markets result in a 5% (2020 : 5%) appreciation/depreciation in the value of the unquoted investments, all other variables being held constant, the Group's surplus would have been higher/lower by \$73,460,000 (2020 : \$60,671,000).

NOTES TO FINANCIAL STATEMENTS

31 March 2021

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Foreign currency risk management

The Group's investments which are managed by fund managers may be in instruments denominated in foreign currencies. Currency exposure arising from such investments is managed by fund managers. Additional information is set out in Note 8.

The main foreign currency exposure of investments (net of foreign currency forwards) based on information provided to management is as follows:

	US dollar	Euro	Japanese Yen	Pound Sterling	Others
	\$'000	\$'000	\$'000	\$'000	\$'000
2021	1,896,129	241,501	77,097	51,786	912,538
2020	1,536,983	206,321	39,513	50,918	499,205

Sensitivity analysis for currency risk

If the relevant foreign currency changes against the Singapore dollar by 5% (2020 : 5%), all other variables being held constant, the effects will be as follows:

	Profit or Loss	
	2021	2020
	\$'000	\$'000
Increase/(Decrease)		
<i>US dollar against Singapore dollar</i>		
Strengthened	94,806	76,849
Weakened	(94,806)	(76,849)
<i>Euro against Singapore dollar</i>		
Strengthened	12,075	10,316
Weakened	(12,075)	(10,316)
<i>Japanese Yen against Singapore dollar</i>		
Strengthened	3,855	1,976
Weakened	(3,855)	(1,976)
<i>Pound Sterling against Singapore dollar</i>		
Strengthened	2,589	2,546
Weakened	(2,589)	(2,546)

Estimating the fair values

Financial assets at fair value through profit or loss

The fair values of financial assets traded in active markets are based on quoted market prices at the end of the reporting period.

The fair values of unquoted investments are based on net asset values provided by fund managers, fund administrators and external valuations.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, other payables and accruals, and short-term borrowings) are assumed to approximate their fair values. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities
- *Level 2:* inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Group				
31 March 2021				
Financial assets at fair value through profit or loss	1,374,831	1,187,092	939,754	3,501,677
Derivative financial liabilities	-	19,935	-	19,935
31 March 2020				
Financial assets at fair value through profit or loss	1,114,822	1,009,850	681,161	2,805,833
Derivative financial liabilities	-	20,075	-	20,075
University Company				
31 March 2021				
Financial assets at fair value through profit or loss	1,374,467	1,187,092	931,021	3,492,580
Derivative financial liabilities	-	19,935	-	19,935
31 March 2020				
Financial assets at fair value through profit or loss	1,114,482	1,009,851	671,737	2,796,070
Derivative financial liabilities	-	20,075	-	20,075

There were no transfers between Level 1, 2 and 3 of the fair value hierarchy in 2020 and 2021.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

31 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

Fair value hierarchy (cont'd)

Assets measured at fair value based on Level 3:

	Financial assets designated at fair value through profit or loss	
	Unquoted investments	
	2021	2020
	\$'000	\$'000
Group		
At 1 April	681,161	511,094
Gains in profit or loss	188,516	87,679
Subscriptions/Contributions	205,859	179,050
Redemptions/Distributions	(135,782)	(96,662)
At 31 March	939,754	681,161
University Company		
At 1 April	671,737	503,933
Gains in profit or loss	191,028	86,724
Subscriptions/Contributions	203,634	177,675
Redemptions/Distributions	(135,378)	(96,595)
At 31 March	931,021	671,737

Capital risk management policies and objectives

The capital structure of the Group consists of funds and accumulated surplus. Risk management is integral to the activities of the Group. The Group has controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors its risk management processes to ensure that an appropriate balance between risk and control is achieved. Risk management processes are reviewed regularly to reflect changes in the Group's activities. The Group's overall strategy remains unchanged from 2020.

32 CHARITY ACT AND REGULATIONS

As required for disclosure under Section 17(1) of the Charities (Institutions of a Public Character) Regulations, the University Company has received total tax deductible donations of \$21,079,000 (2020 : \$23,905,000) in the current financial year.

33 COVID-19 IMPACT

The outbreak of COVID-19 in early 2020 has caused disruptions to many industries globally. Despite the challenges, governments and international organisations have implemented a series of measures to contain the pandemic.

The COVID-19 outbreak is an event that occurred during the Group's financial reporting period and the related impact of the COVID-19 outbreak on the Group's assets and liabilities have been assessed and recognised in the financial statements as at 31 March 2021. Specifically, the Group has accounted for the Jobs Support Scheme meant to provide wage support for local employees by recognising grant income receivable and a corresponding deferred grant income as at 31 March 2021. The Group has also recognised the impact resulting from the volatility of bonds and stock markets on the financial assets at FVTPL as at 31 March 2021.

As the schools are still providing educational services to the students, and there is no significant impact to the revenue stream of the Group, MOE and other funding agencies have also continued to disburse grants to the Group to support its operations.

Thus, the Group has determined that it will be able to maintain sufficient liquidity to enable it to continue as a going concern for at least the next 12 months from the authorisation date of the Group's financial statements.

NOTES TO FINANCIAL STATEMENTS

31 March 2021

34 RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been amended in the consolidated statement of comprehensive income, statements of changes in funds and reserves and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

	As previously reported \$'000	After reclassification \$'000
Consolidated statement of comprehensive income		
General fund - Designated		
Income	529,583	523,350
Expenditure	1,446,509	1,188,973
Grants from ministries	949,329	654,466
General fund - Specific		
Income	169,054	175,287
Expenditure	356,919	614,455
Grants from ministries	146,367	441,230
Statements of changes in funds and reserves		
Group		
General fund - Designated	873,014	1,354,382
General fund - Specific	740,410	259,042
University Company		
General fund - Designated	829,075	1,315,133
General fund - Specific	749,938	263,880

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