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You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular 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 Offering Circular to any other person.

The materials relating to the offering of securities to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer and the Guarantor (as defined in this Offering Circular) in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of FCL Treasury Pte. Ltd., Frasers Centrepoint Limited, DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited (the “**Arrangers**”), the Dealers (as defined in this Offering Circular), any person who controls any of them, or any director, officer, employee or agent of any of them, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers and the Dealers.

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FCL Treasury Pte. Ltd.

(Incorporated with limited liability in Singapore on 10 November 2011)
Company Registration Number: 201132730N

Fraser Centrepoint Limited

(Incorporated with limited liability in the Republic of Singapore on 14 December 1963)
Company Registration Number: 196300440G

S\$5,000,000,000

Multicurrency Debt Issuance Programme

Under the Multicurrency Debt Issuance Programme described in this Offering Circular (the "**Programme**"), FCL Treasury Pte. Ltd. (the "**Issuer**") and Fraser Centrepoint Limited ("**FCL**" or the "**Guarantor**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes (the "**Notes**") or perpetual securities (the "**Perpetual Securities**") and, together with the Notes, the "**Securities**"), and will be guaranteed (the "**Guarantee**") by the Guarantor. The Perpetual Securities may rank as senior obligations (the "**Senior Perpetual Securities**") or subordinated obligations (the "**Subordinated Perpetual Securities**") of the Issuer. The aggregate nominal amount of Securities outstanding will not at any time exceed S\$5,000,000,000 (or the equivalent in other currencies), subject to increase as described herein.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and for the listing of any Securities which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. Unlisted series of Securities may also be issued pursuant to the Programme and Securities may also be listed on stock exchanges other than the SGX-ST, provided that for so long as the rules of the SGX-ST, (where applicable) the Securities and Futures (Offers of Investments) (Exemption for Offers of Post-Seasoning Debentures) Regulations 2016 (the "**Exemption Regulations for Post-Seasoning Debentures**") or, as the case may be, (where applicable) the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016 (the "**Exemption Regulations for Straight Debentures**") require, all issues of Notes intended to be seasoned (the "**Seasoning Notes**") for trading by Retail Investors (as defined herein) under the Seasoning Framework (as defined herein) and Notes offered to (a) Retail Investors only or (b) Retail Investors and either institutional investors or Relevant Persons (each as defined herein) or both pursuant to (where applicable) the Exemption Regulations for Post-Seasoning Debentures (the "**Post-Seasoning Notes**") or, as the case may be, (where applicable) the Exemption Regulations for Straight Debentures (the "**Straight Notes**") and collectively, the Seasoning Notes, the Post-Seasoning Notes and (where applicable) the Straight Notes shall be referred to as the "**Retail Notes**") are to be listed on the SGX-ST. The relevant Pricing Supplement (each, a "**Pricing Supplement**") in respect of any series of Securities will specify whether or not such Securities will be listed on the SGX-ST or on any other stock exchange. There is no assurance that the application to the Official List of the SGX-ST for the listing of the Securities will be approved. Admission to the Official List of the SGX-ST and listing of any Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor, the Group (as defined below) or such Securities. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular and the relevant Product Highlights Sheet (as defined herein) (if any).

Please note that any approval in-principle received from the SGX-ST does not extend to offers pursuant to the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures.

Each Series (as defined in the terms and conditions of the Notes or, as the case may be, the Perpetual Securities) of Securities in bearer form will be represented on issue by a temporary global security in bearer form (each a "**Temporary Global Security**") or a permanent global security in bearer form (each a "**Permanent Global Security**") and together with the Temporary Global Security, the "**Global Securities**"). Securities in registered form (each a "**Registered Security**") (other than Notes denominated in Australian dollars ("**AMTNs**"), issued in the Australian domestic capital market and ranking as senior obligations of the Issuer) will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of the entire holding of Registered Securities of one Series for each holder of Securities (each such holder a "**Securityholder**"). AMTNs will be issued in registered certificated form, and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system operated by Austraclear Ltd ("**Austraclear**"). Each Tranche (as defined herein) of AMTNs will be represented by a certificate without coupons (each an "**AMTN Certificate**"), which shall be issued by the Issuer in respect of each Tranche of AMTNs.

Global Securities and Certificates may be deposited on the issue date with a common depository on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or with The Central Depository (Pte) Limited ("**CDP**"). The provisions governing the exchange of interests in Global Securities for other Global Securities and definitive Securities are described in "Summary of Provisions Relating to the Securities while in Global Form".

Unless otherwise stated in a relevant Pricing Supplement, Tranches of Securities to be issued under the Programme will be unrated.

The Securities and the Guarantee have not been and will not be registered under the United States 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 Securities may include Bearer Securities (as defined in the Dealer Agreement referred to herein) that are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Securities may not be offered, sold, or, in the case of Bearer Securities, 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 ("**Regulation S**")). Registered Securities are subject to certain restrictions on transfer, see "Subscription and Sale".

Investing in Securities issued under the Programme involves certain risks. Prospective investors should have regard, *inter alia*, to the factors described under the section headed "Risk Factors" in this Offering Circular.

In relation to Seasoning Notes, such Notes will initially be offered to Specified Investors (as defined herein) only and cannot be sold to Retail Investors before the end of the Seasoning Period. Such Notes may be seasoned for trading by Retail Investors on the Main Board of the SGX-ST after the Seasoning Period. There is no assurance that the Seasoning Notes will be successfully seasoned or that the Issuer or the Guarantor will satisfy the Exemption Regulations for Post-Seasoning Debentures for that purpose. If successfully seasoned, after the Seasoning Period, new Post-Seasoning Notes forming a single series with the initial issue of Notes may be offered or sold to or made the subject of an invitation for subscription or purchase by (a) Retail Investors only or (b) Retail Investors, and either Institutional Investors or Relevant Persons, or both pursuant to one or more re-taps (as defined herein). The total of:

- (i) the value of the Post-Seasoning Notes to be issued to Retail Investors; and
- (ii) the value, as at the date of issue, of the Post-Seasoning Notes previously issued to Retail Investors pursuant to the Exemption Regulations for Post-Seasoning Debentures, and which relate to the same Notes initially offered to Specified Investors only to which the Post-Seasoning Notes mentioned in sub paragraph (i) relate,

does not exceed 50% of the total value, as at the date of issue, of such Notes initially offered to Specified Investors only (excluding Notes issued to the relevant Dealer(s) for its own accounts).

Only Notes which fall within the definition of "seasoned debenture" in the Exemption Regulation for Post-Seasoning Debentures may be seasoned for trading by Retail Investors.

In relation to Seasoning Notes:

- (a) such Notes cannot be sold to non-specified investors before the end of the Seasoning Period;
- (b) the Issuer may offer additional debt securities to non-specified investors through one or more re-taps and the aggregate principal amount of the offers through such re-taps will not exceed such amount specified in Exemption Regulations for Post-Seasoning Debentures;
- (c) the Issuer undertakes to immediately disclose information which may have a material effect on the price or value of such Notes or on an investor's decision whether to trade in such Notes; and
- (d) the Issuer complies with the eligibility criteria in Rule 318 of the listing manual of the SGX-ST.

As at the date of this Offering Circular, the Issuer and (pursuant to Regulation 5(2) of the Exemption Regulations for Post-Seasoning Debentures and Regulation 5(2) of the Exemption Regulations for Straight Debentures) the Guarantor **DO NOT** satisfy the requirements set out in Regulation 5(1) of the Exemption Regulations for Post-Seasoning Debentures and Regulation 5(1) of the Exemption Regulations for Straight Debentures.

In the event that the Issuer and/or (pursuant to Regulation 5(2) of the Exemption Regulations for Post-Seasoning Debentures and Regulation 5(2) of the Exemption Regulations for Straight Debentures) the Guarantor satisfies the requirements set out in Regulation 5(1) of the Exemption Regulations for Post-Seasoning Debentures and Regulation 5(1) of the Exemption Regulations for Straight Debentures and where it may make an offer to (a) Retail Investors and (b) Institutional Investors or Relevant Persons or both in reliance on the exemption granted by the Monetary Authority of Singapore (the "**MAS**") pursuant to the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures, it will prepare an amendment or supplement to this Offering Circular or replacement Offering Circular so as to make consequential disclosures as a result thereof.

The Bank of New York Mellon, London Branch, The Bank of New York Mellon, Singapore Branch and The Bank of New York Mellon (Luxembourg) S.A. act as Trustee and Agents only in relation to Securities other than Retail Notes. The Issuer will appoint a retail trustee and additional Agents in relation to any issue of Retail Notes pursuant to a Singapore retail supplemental trust deed and the relevant retail agency agreement, respectively.

DBS BANK LTD.

Arrangers

OCBC BANK

Dealers

DBS BANK LTD.

OCBC BANK

The Issuer and the Guarantor accept responsibility for the information contained in this Offering Circular and the relevant Product Highlights Sheet (if any). The Issuer and the Guarantor, having made all reasonable enquiries, confirm that (i) this Offering Circular and the relevant Product Highlights Sheet (if any) contains all information with regard to the Issuer, the Guarantor, the Group, the Securities and the Guarantee which is material in the context of the Programme, the issue and offering of the Securities and the giving of the Guarantee, (ii) such information is true and accurate and not misleading in all material respects, (iii) the opinions, expectations and intentions expressed in this Offering Circular and the relevant Product Highlights Sheet (if any) have been carefully considered, are and will be based on all relevant considerations and facts known to the Issuer and the Guarantor existing at the date of its issue and are and will be fairly, reasonably and honestly held, (iv) there are no other facts the omission of which in the said context would make any such information or expressions of opinion, expectation or intention misleading in any material respect and (v) the Issuer and the Guarantor have made all reasonable enquiries to ascertain all material facts for the purpose aforesaid.

This Offering Circular and the relevant Product Highlights Sheet (if any) is to be read in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference"). This Offering Circular and the relevant Product Highlights Sheet (if any) shall be read and construed on the basis that such documents are incorporated in, and form part of, this Offering Circular and the relevant Product Highlights Sheet (if any).

This Offering Circular and the relevant Product Highlights Sheet (if any) has been prepared by the Issuer and the Guarantor for use in connection with the offer and sale of the Securities outside the United States. The Issuer, the Guarantor, the Arrangers and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Offering Circular and the relevant Product Highlights Sheet (if any) does not constitute an offer to any person in the United States. Distribution of this Offering Circular or the relevant Product Highlights Sheet (if any) 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 and the Guarantor of any of its contents to any such U.S. person or other person within the United States, is prohibited.

In relation to Seasoning Notes, such Notes will initially be offered to Specified Investors only and cannot be sold to Retail Investors before the end of the Seasoning Period. Such Notes may be seasoned for trading by Retail Investors on the Main Board of the SGX-ST only after the Seasoning Period. There is no assurance that the Seasoning Notes will be successfully seasoned or that the Issuer or the Guarantor satisfies the exemptions under the Exemption Regulations for Post-Seasoning Debentures for that purpose. If successfully seasoned, after the Seasoning Period, new Post-Seasoning Notes forming the same series as the initial issue of Notes may be offered or sold to or made the subject of an invitation for subscription or purchase by (a) Retail Investors only or (b) Retail Investors, and either Institutional Investors or Relevant Persons, or both pursuant to one or more re-taps.

The total of:

- (i) the value of the Post-Seasoning Notes to be issued to Retail Investors; and**
- (ii) the value, as at the date of issue, of the Post-Seasoning Notes previously issued to Retail Investors pursuant to the Exemption Regulations for Post-Seasoning Debentures, and which relate to the same Notes initially offered to Specified Investors only to which the Post-Seasoning Notes mentioned in sub paragraph (i) relate,**

does not exceed 50% of the total value, as at the date of issue, of such Notes initially offered to Specified Investors only (excluding Notes issued to the relevant Dealer(s) for its own accounts).

Only Notes which fall within the definition of "seasoned debenture" in the Exemption Regulation for Post-Seasoning Debentures may be seasoned for trading by Retail Investors.

Applications for (where applicable) the Post-Seasoning Notes and (where applicable) the Straight Notes must be made by way of Electronic Applications, as specified in the relevant Pricing Supplement. Prospective investors who wish to apply for (where applicable) the Post-Seasoning

Notes and (where applicable) the Straight Notes must have a direct Securities Account with CDP or a securities sub-account and/or investment account with a Depository Agent. Further information will be set out in “Terms and Conditions for Electronic Applications” to be appended to the relevant Pricing Supplement.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular and the relevant Product Highlights Sheet (if any) in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, any of the Dealers or the Arrangers, The Bank of New York Mellon, London Branch or, in relation to an offer of Retail Notes, a retail trustee to be appointed by the Issuer pursuant to a Singapore retail supplemental trust deed, each as trustee (the “Trustee”) or any of the Agents (as defined in the Agency Agreement referred to herein). Save as expressly stated in this Offering Circular and the relevant Product Highlights Sheet (if any), nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer, the Guarantor or any of their respective subsidiaries or associated companies (if any). Neither this Offering Circular, the relevant Product Highlights Sheet (if any) nor any other document or information or any part thereof, delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, such solicitation or invitation by or on behalf of the Issuer, the Guarantor or any of the Arrangers or the Dealers to subscribe for or purchase the Securities in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. Neither the delivery of this Offering Circular, the relevant Product Highlights Sheet (if any) (or any part thereof) nor any sale, offering or purchase made in connection herewith shall, under any circumstances, create any implication that there has been no change in the prospects, results of operation or general affairs of the Issuer, the Guarantor or their respective subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, the Guarantor or their respective subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution and publication of this Offering Circular, the relevant Product Highlights Sheet (if any) or any such other document or information and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons who distribute or publish this Offering Circular, the relevant Product Highlights Sheet (if any) or any such other document or information or into whose possession this Offering Circular, the relevant Product Highlights Sheet (if any) or any such other document or information comes are required by the Issuer, the Guarantor, the Dealers and the Arrangers to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations. The Securities and the Guarantee have not been and will not be registered under the United States Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Securities may include Bearer Securities (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities may not be offered, sold, or, in the case of Bearer Securities, delivered within the United States or to, or for the account or benefit of, U.S. persons. Registered Securities are subject to certain restrictions on transfer, see “Subscription and Sale”.

This Offering Circular and the relevant Product Highlights Sheet (if any) and/or any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall not be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Securities.

This Offering Circular and the relevant Product Highlights Sheet (if any) and any other documents or materials in relation to the issue, offering or sale of the Securities have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Securities from time to time to be issued pursuant to the Programme. In respect of offers made pursuant to Sections 274 and/or 275 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), this Offering Circular and the relevant Product Highlights Sheet (if any) and any such other documents or materials are

made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA and may not be relied upon by any person other than persons to whom the Securities are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Offering Circular or the relevant Product Highlights Sheet (if any) shall not reissue, circulate or distribute this Offering Circular, the relevant Product Highlights Sheet (if any) or any part thereof in any manner whatsoever.

Neither the delivery of this Offering Circular (or any part thereof) or the relevant Product Highlights Sheet (if any) or the issue, offering, purchase or sale of the Securities shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer, the Guarantor or any of their respective subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Offering Circular has been most recently amended or supplemented.

The Arrangers, the Dealers, the Trustee and the Agents have not separately verified the information contained in this Offering Circular or the relevant Product Highlights Sheet (if any). None of the Arrangers, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents is making any representation or warranty expressed or implied as to the merits of the Securities or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer, the Guarantor or their respective subsidiaries or associated companies (if any). Further, none of the Arrangers, the Dealers, the Trustee or the Agents makes any representation or warranty as to the Issuer, the Guarantor or their respective subsidiaries or associated companies (if any) or 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 Offering Circular or the relevant Product Highlights Sheet (if any).

To the fullest extent permitted by law, none of the Dealers, the Arrangers, the Trustee, the Agents or any of their respective officers, employees or agents accepts any responsibility for the contents of this Offering Circular or the relevant Product Highlights Sheet (if any) or for any other statement made or purported to be made by the Arrangers, the Dealers, the Trustee or the Agents or on their behalf in connection with the Issuer, the Guarantor, the Programme or the issue and offering of the Securities. Each of the Arrangers, the Dealers, the Trustee and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or the relevant Product Highlights Sheet (if any) or any such statement.

Neither this Offering Circular, the relevant Product Highlights Sheet (if any) nor any other document or information (or any part thereof) delivered and supplied under or in relation to the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arrangers, the Dealers, the Trustee, the Agents or any of their respective officers, employees or agents that any recipient of this Offering Circular or the relevant Product Highlights Sheet (if any) or any other financial statements should purchase the Securities. Each potential purchaser of Securities shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and its appraisal of the creditworthiness of the Issuer, the Guarantor and their respective subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer, the Guarantor and their respective subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Arrangers, 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 Offering Circular, the relevant Product Highlights Sheet (if any) 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 Offering Circular, the relevant Product Highlights Sheet (if any) or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Securities by a recipient of this Offering Circular, the

relevant Product Highlights Sheet (if any) or such other document or information (or such part thereof). None of the Dealers, the Arrangers, the Trustee or the Agents undertakes to review the financial condition or affairs of the Issuer or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers, the Arrangers, the Trustee, the Agents or any of their respective officers, employees or agents.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be discontinued at any time and must in any event be brought to an end after a limited period. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws, rules and regulations.

Certain monetary amounts and percentages in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Market data and certain industry forecasts used throughout this Offering Circular have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Guarantor, the Arrangers, the Dealers, the Trustee or the Agents makes any representation as to the accuracy of that information.

Any purchase or acquisition of the Securities is in all respects conditional on the satisfaction of certain conditions set out in the Dealer Agreement and the issue of the Securities by the Issuer pursuant to the Dealer Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Securities or pursuant to this Offering Circular or the relevant Product Highlights Sheet (if any) shall (without any liability or responsibility) on the part of the Issuer, the Guarantor or any of the Arrangers or the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Securities are not issued by the Issuer pursuant to the Dealer Agreement.

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

The attention of recipients of this Offering Circular and the relevant Product Highlights Sheet (if any) is drawn to the restrictions on resale of the Securities set out under the section “Subscription and Sale” herein.

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

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

Prospective purchasers of the Securities are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of the Securities.

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SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Offering Circular that are not statements of historical fact, including statements about beliefs and expectation, constitute “forward-looking statements”. However, these words are not the exclusive means of identifying forward-looking statements. The words including “believe”, “expect”, “plan”, “anticipate”, “intend”, “aim”, “project”, “seek”, “should”, “will”, “would”, “could”, “schedule”, “estimate” and similar words or expressions generally identify forward-looking statements. This Offering Circular also contains forward-looking financial statements in certain sections. All statements other than statements of historical facts included in this Offering Circular, including, but without limitation, those regarding the expected financial position, business strategy, prospects, capital expenditure and investment plans of the Group and the plans and objectives of the Group’s management for its future operations (including development plans and objectives relating to the Group’s operations, revenue, profitability, prospects, future plans and other matters discussed in this Offering Circular regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer, the Guarantor and/or the Group, expected growth in the Issuer, the Guarantor and/or the Group and other related matters), are forward looking statements and accordingly, are only predictions. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, the Guarantor and/or the Group to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements and financial information speak only as at the date of this Offering Circular. Each of the Issuer and the Guarantor expressly disclaims any obligation or undertaking to release any updates or revisions to any forward-looking statements contained herein to reflect any change in the Issuer’s, the Guarantor’s or the Group’s expectations with regard thereto or any change of events, conditions or circumstances, on which any such statements were based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other relevant regulatory or supervisory body or agency.

This Offering Circular discloses some of these factors under “Risk Factors” and elsewhere, important factors that could cause actual results to differ materially from the Issuer’s or the Guarantor’s expectations.

Among the important factors that could cause the actual results, performance or achievements of the Issuer, the Guarantor and/or the Group to differ materially from those in the forward-looking statements and financial information are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Singapore, changes in government laws and regulations affecting the Group, competition in the markets in which the Group may operate or invest, industry, foreign exchange rates, interest rates, inflation, relations with service providers, relations with lenders, hostilities (including future terrorist attacks), the performance and reputation of the Group’s properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing and integrating acquisitions, changes in the Group’s directors and executive officers, risks related to natural disasters, general volatility of the capital market and general risks relating to the markets in which the Group may invest as well as other matters not yet known to the Group or not currently considered material by the Group.

All subsequent written and forward-looking statements attributable to the Issuer or the Guarantor or persons acting on behalf of the Issuer or the Guarantor are expressly qualified in their entirety by such cautionary statements.

FINANCIAL STATEMENTS

The Issuer and the Guarantor have prepared audited consolidated financial statements (the “**Audited Financial Statements**”) as at and for the financial period from 1 October 2015 to 30 September 2016.

The Audited Financial Statements are included in this Offering Circular and are prepared in conformity with Singapore Financial Reporting Standards (“**SFRS**”) issued by the Accounting Standards Council of Singapore. See “Index to Financial Statements” and “Summary Financial Information”.

SUPPLEMENTARY OFFERING CIRCULAR

The Issuer and the Guarantor have given undertakings to the Arrangers that if the Issuer has notified the Arrangers in writing that it intends to issue Securities under the Programme, the Issuer and the Guarantor shall prepare an amendment or supplement to this Offering Circular or a replacement Offering Circular if any event shall have occurred as a result of which this Offering Circular, if not amended or supplemented, would include a statement of fact which is not true and accurate in any material respect or omit any fact the omission of which would make any statement therein misleading in any material respect.

DEFINITIONS

The following definitions have, where appropriate, been used in this Offering Circular:

“**AC**” means the Audit Committee of the Group;

“**Authority**” means the Monetary Authority of Singapore;

“**C&I**” means commercial and industrial;

“**CDP**” means The Central Depository (Pte) Limited;

“**Companies Act**” means the Companies Act, Chapter 50 of Singapore, as amended or modified from time to time;

“**CPF**” means the Central Provident Fund;

“**CPF Funds**” means the CPF account savings of CPF members including the moneys under the CPF Investment Scheme;

“**CSR**” means corporate social responsibility;

“**DBS Bank**” means DBS Bank Ltd.;

“**Deed of Covenant**” means the deed poll to be executed by the Issuer in favour of the relevant account holders, from time to time, of CDP in relation to the Securities;

“**Depositor**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in the section headed “Clearance and Settlement” in this Offering Circular;

“**Depository Agreement**” means the application form to be signed by the Issuer and accepted by CDP together with the terms and conditions for the provision of depository services by CDP referred to therein;

“**Directors**” means the directors of the Guarantor;

“**EI**” means exceptional items;

“**Electronic Application(s)**” means modes of applications for Retail Notes as set out in the relevant Pricing Supplement;

“**ERM**” means enterprise-wide risk management;

“**ETR**” means effective tax rate;

“**Executive Officers**” means the executive officers of the Guarantor;

“**Exemption Regulations for Post-Seasoning Debentures**” means the Securities and Futures (Offers of Investments) (Exemption for Offers of Post-Seasoning Debentures) Regulations 2016;

“**Exemption Regulations for Straight Debentures**” means the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016;

“**F&B**” means food and beverage;

“**FCOT**” means Frasers Commercial Trust;

“**FCT**” means Frasers Centrepoint Trust;

“**FH-BT**” means Frasers Hospitality Business Trust;

“**FH-REIT**” means Frasers Hospitality Real Estate Investment Trust;

“**FHT**” means Frasers Hospitality Trust;

“**FLT**” means Frasers Logistics & Industrial Trust;

“**FPA**” means Frasers Property Australia;

“**FY**” means the financial year for twelve months ended or, as the case may be, ending 30 September;

“**G Homes**” means G Homes House Development Joint Stock Company;

“**GDV**” means gross development value;

“**GFA**” means gross floor area;

“**Global Note**” means a global Note representing 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;

“**Gold**” means Golden Land Property Development Public Company Limited;

“**Group**” means the Guarantor and its subsidiaries;

“**Guarantor**” or “**FCL**” means Frasers Centrepoint Limited;

“**HD**” means high density;

“**H/MD**” means housing/medium density;

“**Institutional Investor**” has the same meaning ascribed to it in Section 4A of the SFA;

“**IRAS**” means the Inland Revenue Authority of Singapore;

“**Issuer**” means FCL Treasury Pte. Ltd.;

“**ITA**” means the Income Tax Act, Chapter 134 of Singapore, as amended or modified from time to time;

“**JO**” means joint operation;

“**JPY**” means Japanese yen, the lawful currency of Japan;

“**Latest Practicable Date**” means 9 January 2017;

“**Listing Manual**” means the listing manual of the SGX-ST, as amended or modified from time to time;

“**MAS**” means the Monetary Authority of Singapore;

“**MHDV**” means Malmaison Hotel du Vin;

“**MYR**” or “**Malaysian ringgit**” means the lawful currency of Malaysia;

“**OCBC Bank**” means Oversea-Chinese Banking Corporation Limited;

“**PBIT**” means profit before interest, fair value change, taxation and exceptional items;

“**PDA**” means project development agreement;

“Permanent Global Note” means a Global Note representing Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note, being substantially in the form set out in Schedule 3 to the Trust Deed;

“per cent.” or **“%”** means per centum or percentage;

“Post-Seasoning Notes” means Notes offered to (a) Retail Investors only or (b) Retail Investors, and either Institutional Investors or Relevant Persons, or both pursuant to the Exemption Regulations for Post-Seasoning Debentures after the Seasoning Period pursuant to one or more re-taps;

“psf” means per square foot;

“re-tap” means, in relation to Notes offered under the Seasoning Framework, an issuance of new Notes after the Seasoning Period that have the same terms (except for price, original tenor, size and date of issuance) and form the same series as the Notes initially offered to Specified Investors only;

“Recognised Stock Exchange” means any stock exchange of repute in any country in any part of the world;

“REIT” means real estate investment trust;

“Relevant Person” has the same meaning ascribed to it in Section 275(2) of the SFA;

“RMB” or **“Chinese renminbi”** means renminbi, the lawful currency of the People’s Republic of China;

“RMC” means the Risk Management Committee of the Group;

“Retail Investors” means investors in Singapore who are not Institutional Investors or Relevant Persons;

“Retail Notes” means the Seasoning Notes, the Post-Seasoning Notes and the Straight Notes;

“SBU” means Strategic Business Unit;

“SEC” means U.S. Securities and Exchange Commission;

“Seasoning Framework” means the framework for issue of Notes set out in Part VI of Chapter 3 of the Listing Manual of the SGX-ST;

“Seasoning Notes” means Notes intended to be seasoned for trading by Retail Investors under the Seasoning Framework;

“Seasoning Period” means, in relation to Notes intended to be seasoned for trading by Retail Investors under the Seasoning Framework, the six month period from the date of listing on the SGX-ST of the initial issue of Notes to Specified Investors only;

“Securities Account” means a securities account maintained by a Depositor with CDP (but does not include a securities sub-account);

“Securities Act” means the U.S. Securities Act of 1933, as amended or modified from time to time;

“SFA” means the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time;

“SGX-ST” means Singapore Exchange Securities Trading Limited;

“SIBOR” has the meaning ascribed to it in the Conditions;

“Singapore Dollars”, **“S\$”** or **“SGD”** each mean the lawful currency of the Republic of Singapore;

“**Specified Investors**” means persons specified under Section 274 or Section 275 of the SFA (or such equivalent terms in the relevant jurisdictions where the Notes are subscribed);

“**Sterling pound**” or “**£**” means the lawful currency of the UK;

“**Straight Notes**” means Notes which are offered pursuant to the Exemption Regulations for Straight Debentures;

“**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act;

“**sq ft**” means square feet;

“**sq m**” means square metre;

“**TCC Group**” means the companies and entities comprised in the Thai Charoen Corporation Group which are controlled by Mr Charoen Sirivadhanabhakdi and Ms Khunying Wanna Sirivadhanabhakdi;

“**Temporary Global Note**” means a Global Note representing Notes of one or more Tranches of the same Series, being substantially in the form set out in Schedule 2 to the Trust Deed;

“**THB**” or “**Thai baht**” means the lawful currency of Thailand;

“**Ticon**” means Ticon Industrial Connection Public Company Limited;

“**TOP**” means temporary occupation permit;

“**UK**” means the United Kingdom;

“**United States**” or “**U.S.**” means United States of America; and

“**US Dollars**” or “**USD**” each mean the lawful currency of the United States of America.

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 Offering Circular shall be a reference to Singapore time unless otherwise stated. Any reference in this Offering Circular 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 Offering Circular shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) each relevant Pricing Supplement, (ii) the most recently published audited consolidated annual financial statements, and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements, of the Issuer and the Guarantor from time to time, and (iii) all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Such documents shall be incorporated in and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained 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 Offering Circular.

Copies of all such documents which are so deemed to be incorporated by reference herein, and to form part of, this Offering Circular are available for inspection at the registered office of the Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) set out at the end of this Offering Circular.

SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of this Offering Circular as a whole, including any information incorporated by reference. Words and expressions defined in the Conditions or elsewhere in this Offering Circular have the same meanings in this summary.

Issuer	FCL Treasury Pte. Ltd.
Guarantor	Frasers Centrepoint Limited.
Description	S\$5,000,000,000 Multicurrency Debt Issuance Programme.
Size	The maximum aggregate principal amount of the Securities to be issued, when added to the aggregate principal amount of all Securities outstanding, shall be S\$5,000,000,000 (or its equivalent in other currencies) or such higher amount as may be increased in accordance with the terms of the Dealer Agreement.
Arrangers	DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited.
Dealers	<p>DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and such other Dealers as may be appointed by the Issuer in accordance with the Dealer Agreement.</p> <p>The Issuer and the Guarantor may from time to time appoint one or more additional Dealers in accordance with the terms of the Dealer Agreement. Any such appointment of a Dealer may be in respect of a single Series, Tranche or the whole Programme. References in this Offering Circular to “Permanent Dealers” are to all Dealers other than those appointed as such solely in respect of one or more specified Tranches (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and any other Dealer that is appointed to the Programme.</p>
Trustee	In the case of Securities other than Retail Notes, The Bank of New York Mellon, London Branch and, in the case of Retail Notes, a retail trustee (to be appointed pursuant to a Singapore retail supplemental trust deed).
Issuing and Paying Agent (in respect of Securities cleared through Euroclear/Clearstream, Luxembourg) and (where appointed in respect of Securities other than Retail Notes) Calculation Agent	The Bank of New York Mellon, London Branch.
Transfer Agent and Registrar (in respect of Securities cleared through Euroclear/Clearstream, Luxembourg)	The Bank of New York Mellon (Luxembourg) S.A.
Paying Agent, Transfer Agent and Registrar (in respect of Securities other than Retail Notes cleared through CDP)	The Bank of New York Mellon, Singapore Branch or such other Agent appointed in accordance with the relevant Agency Agreement.

Issuing and Paying Agent, Paying Agent, Registrar and Calculation Agent (in respect of AMTNs)

BTA Institutional Services Australia Limited (the “**Australian Agent**”).

Issuing and Paying Agent, Transfer Agent, Registrar and (where appointed) Calculation Agent (in respect of Retail Notes only)

To be appointed by the Issuer pursuant to the relevant retail agency agreement in relation to such issuance of Retail Notes.

Non-Disposal Clause

So long as any of the Securities remains outstanding, the Guarantor has covenanted with the Trustee in the Trust Deed that it will not, and will ensure that none of its Principal Subsidiaries (as defined in the Trust Deed) will, (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time) sell, transfer, lease out or otherwise dispose of (whether outright, by a sale-and-repurchase or sale and leaseback arrangement, or otherwise) any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under Clause 10.2.9 of the Trust Deed, would have a material adverse effect on its ability to perform or comply with any of its payment or other material obligations under the Trust Deed, the Securities or the Guarantee. The following disposals shall not be taken into account under Clause 10.2.9 of the Trust Deed:

- (i) disposals in the ordinary course of business or on normal commercial terms;
- (i) any disposal or sale of assets from the Guarantor or any of its subsidiaries to any of the subsidiaries of the Guarantor or, as the case may be, the Guarantor;
- (iii) any disposal or sale of assets which are obsolete, excess or no longer required for the purpose of its business;
- (iv) any payment of cash as consideration for the acquisition of any asset on normal commercial terms and on an arm’s length basis;
- (v) any exchange of assets for other assets of a similar nature and value and cash;
- (vi) any disposal or sale of assets for the purposes of or pursuant to a consolidation, amalgamation, merger, reconstruction or transfer of assets to a subsidiary of the Guarantor or any disposal falling within the provisions of Clause 10.2.11 of the Trust Deed;
- (vii) any disposal by the Guarantor or any Principal Subsidiary of shares or units for the purposes of the listing of securities held by the Guarantor or such Principal Subsidiary or any disposal of assets by the Guarantor or a Principal Subsidiary for the purposes of the listing of a real estate investment trust or business trust; and

- (viii) any disposal which the Trustee or the Securityholders by way of an Extraordinary Resolution (as defined in the Trust Deed) shall have agreed shall not be taken into account.

Notes

Method of Issue

Notes to be issued under the Programme may be offered pursuant to Sections 274 and/or 275 of the SFA (or its equivalent in other jurisdictions) to Specified Investors.

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 (each, a “**Tranche**”), on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

Distribution and Application and Payment Procedures for Straight Notes and Post-Seasoning Notes

In relation to a Series of Post-Seasoning Notes or, where applicable, Straight Notes, one or more Dealers may agree with the Issuer to procure subscribers for such Notes which are offered (or intended to be offered) to, *inter alia*, Retail Investors, either on an underwritten basis or a best efforts basis. Offers of Post-Seasoning Notes may comprise a public offer tranche to Retail Investors only or a public offer tranche to Retail Investors and a placement tranche to Specified Investors. Where applicable, offers of Straight Notes must comprise both a public tranche to Retail Investors and a placement tranche to Specified Investors.

Where applicable, applications for the placement tranche of Post-Seasoning Notes and Straight Notes must be made directly through the relevant Dealer(s) for that Series, who will determine, at their discretion, the manner and method for applications. Payment for such Notes is to be made in full on or about the Issue Date, unless otherwise agreed by the Issuer and the relevant Dealer(s).

Where applicable, applications for the public tranche of Post-Seasoning Notes and Straight Notes must be made by way of Electronic Applications, as specified in the relevant Pricing Supplement. Further information will be set out in the “Terms and Conditions for Electronic Applications” to be appended to the relevant Pricing Supplement. The relevant Pricing Supplement will also set out the period during which the offer will be kept open. Payment for such Notes is to be made in full upon application.

Where applicable, in relation to offers of Straight Notes and Post-Seasoning Notes, the Issuer, the Guarantor and the relevant Dealer(s) reserve the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on their decision will be entertained.

Where applicable, in relation to the public offer tranche of Post-Seasoning Notes and Straight Notes, the Issuer will announce the outcome of the offer, and where appropriate, the level of subscription, the basis of allocation and allotment and the subscription rate for the offer, prior to the listing of such Notes on the SGX-ST.

The expenses incurred in connection with the offer of the Notes will not be specifically charged to the subscribers for the Notes, unless otherwise disclosed in the relevant Pricing Supplement.

Issue Price

Notes may be issued at par or at a discount, or premium, to par.

Form and Denomination and Trading of the 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 Security or a Permanent Global Security. Each Temporary Global Security may be deposited on the relevant issue date with CDP, a common depository for Euroclear and Clearstream (the “**Common Depository**”), Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Security or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Security may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein. Each Tranche or Series of registered Notes (other than AMTNs) 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 of the Notes, a Certificate shall be issued in respect of each Securityholder’s entire holding of registered Notes of one Series.

AMTNs will be issued in registered certificated form and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system operated by Austraclear (the “**Austraclear System**”). Each Tranche of AMTNs will be represented by an AMTN Certificate.

Unless otherwise stated in the relevant Pricing Supplement where applicable, Seasoning Notes will initially be offered to Specified Investors only and traded in board lot sizes of at least S\$200,000 (or its equivalent in foreign currencies) and higher integral multiples of S\$1,000 (or its equivalent as aforesaid). After the Seasoning Period and receiving confirmation from the SGX-ST that the Seasoning Notes are eligible for trading by Retail Investors, subject to fulfilment of the applicable conditions and provided the Issuer does not withdraw the Seasoning Notes from the Seasoning Framework, the Seasoning Notes will be seasoned and commence trading on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currencies).

The Issuer may, without the consent of the Trustee, the Noteholders or Couponholders, at any time after any issue of such Notes, (i) reduce the denomination of such Notes into small divisible amounts and/or (ii) remove or reduce the minimum denomination requirement in respect of such Notes. See Condition 1 of the “Terms and Conditions of the Notes – Form, Denomination and Title”. Prospective investors should consider the Issuer’s rights with respect to the reduction or removal of the minimum denomination of such Notes after issuance in light of their own internal requirements as to the minimum denominations of securities they may purchase and hold, if any, and the legal or other obligations applicable to them.

Unless otherwise stated in the Pricing Supplement and where applicable, Straight Notes will be traded on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currencies). In relation to Post-Seasoning Notes and (where applicable) Straight Notes, upon the listing of and quotation for such Notes on the Main Board of the SGX-ST, the Notes, when issued, will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system.

Clearing Systems

Clearstream, Luxembourg, Euroclear, CDP, the Austraclear System and, in relation to any Tranche, such additional or alternative clearing system approved by the Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.

Initial Delivery of Notes

On or before the issue date for each Tranche, the Global Security representing Bearer Notes or the Global Certificate representing Registered Notes (other than AMTNs) may be deposited with a Common Depository, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer. Registered Notes (other than AMTNs) that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems. AMTNs lodged with the Austraclear System will be registered in the name of Austraclear.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes (other than AMTNs) may be issued in Singapore dollars or any other currency agreed between the Issuer, the Guarantor, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar. The AMTNs will be issued in Australian dollars.

Maturities

Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s). Where applicable, Retail Notes will have tenors of a fixed term which does not exceed 10 years.

Specified Denomination

Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

Notes issued in, or into, Australia may be issued in such denominations as may be agreed save that:

- (i) the aggregate consideration payable to the Issuer by each offeree is at least A\$500,000 (or the equivalent in another currency and disregarding monies lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and
- (iii) the issue complies with all other applicable laws.

Interest Basis

Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest. Retail Notes may bear interest at fixed or floating rates.

Fixed Rate Notes

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

Floating Rate Notes

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or
- (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR,

(or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

Interest periods will be specified in the relevant Pricing Supplement.

Variable Rate Notes

Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. 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 S\$ SIBOR or S\$ Swap Rate (or 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, 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.

Credit Linked Notes

Notes with respect to which payment of principal and interest is linked to the credit of a specified entity or entities will be issued on such terms as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Pricing Supplement).

Interest Periods and Interest Rates

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

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. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Optional Redemption

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

Tax Redemption

If so provided on the face of the Note and the relevant Pricing Supplement, 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 Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) their Early Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 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 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 or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Status of Notes and the Guarantee

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.

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

Negative Pledge

If Condition 4(a) of the Notes is specified as applicable in the relevant Pricing Supplement, so long as any Note or Coupon remains outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed or, in the case of AMTNs, in the Note (AMTN) Deed Poll), each of the Issuer and the Guarantor will not, and the Guarantor will procure that the Principal Subsidiaries will not, create or have outstanding any security ("**Subsequent Security**") over any of the undertaking, assets, property or revenues or rights to receive dividends of the Issuer, the Guarantor and/or the Principal Subsidiaries over which a first ranking security by way of an assignment and/or a charge and/or mortgage exists at the time of creation of the Subsequent Security over such undertaking, assets, property or revenues (an "**Existing**

Secured Asset”), which ranks, in point of priority, completely after the security created over such Existing Secured Asset, except for any security created or outstanding with the prior consent in writing of the Trustee or the Securityholders of the Notes by way of an Extraordinary Resolution (as defined in the Trust Deed). For the avoidance of doubt, nothing in Condition 4(a) of the Notes shall prohibit:

- (i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or
- (ii) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured;

or

If Condition 4(b) of the Notes is specified as applicable in the relevant Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the “**Reference Date**”) based upon the amounts certified by two Authorised Signatories (as defined in the Trust Deed) of the Guarantor to the Trustee no later than the date falling 90 days from the Reference Date (the “**Notification Date**”), the Guarantor shall ensure that:

- (i) the ratio of Consolidated Net Borrowings (as defined in the Terms and Conditions) to Consolidated Tangible Net Worth (as defined in the Terms and Conditions) does not exceed 1.5:1, provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Consolidated Net Borrowings shall be deducted from such Consolidated Net Borrowings as at the Reference Date;
- (ii) if the test in (i) above is not met as at the end of any Reference Date, the Guarantor undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two Authorised Signatories of the Guarantor to the Trustee no later than 45 days after the end of the relevant quarter; and
- (iii) certificates delivered by two Authorised Signatories of the Guarantor in connection with Condition 4(b) of the Notes shall, in the absence of manifest error, be conclusive.

Further Covenants

The Guarantor has covenanted with the Trustee in the Trust Deed that so long as any of the Securities remains outstanding, it will ensure that it will at all times own beneficially (directly or indirectly) the whole of the issued share capital for the time being of the Issuer.

Events of Default

See Condition 10 of the Notes.

Taxation

All payments in respect of the Notes and the Coupons by the Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section on "Taxation – Singapore Taxation" herein.

Listing and Admission to Trading

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, provided that for so long as the rules of the SGX-ST, (where applicable) the Exemption Regulations for Post-Seasoning Debentures, or, as the case may be, (where applicable) the Exemption Regulations for Straight Debentures require, all issues of Retail Notes are to be listed on the SGX-ST. Unlisted Series of Notes may also be issued pursuant to the Programme.

Please note that any approval in-principle received from the SGX-ST does not extend to offers pursuant to the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures.

Selling Restrictions

The United States, the Public Offer Selling Restriction under the Prospectus Directive (in respect of Notes having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, Hong Kong, Singapore, Japan and Australia.

For the purposes of Regulation S, Category 2 selling restrictions shall apply.

For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section on "Subscription and Sale" herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.

Governing Law

(i) (in respect of Notes other than AMTNs and Retail Notes) English law or Singapore law (as specified in the applicable Pricing Supplement), (ii) (in respect of, where applicable, Retail Notes) Singapore law and (iii) (in respect of AMTNs) the laws of New South Wales, Australia.

Perpetual Securities**Method of Issue**

Perpetual Securities may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

Issue Price

Perpetual Securities may be issued at par or at a discount, or premium, to par.

Form and Denomination and Trading of the Perpetual Securities

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

Clearing Systems

Clearstream, Luxembourg, Euroclear, CDP and, in relation to any Tranche, such additional or alternative clearing system approved by the Issuer, the Guarantor, the Trustee, the relevant Registrar and the Issuing and Paying Agent.

Initial Delivery of Perpetual Securities

On or before the issue date for each Tranche, the Global Security representing bearer Perpetual Securities or the Global Certificate representing registered Perpetual Securities may be deposited with a Common Depositary, or with CDP. Global Securities or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Trustee, the Issuing and Paying Agent and the relevant Dealer. Registered Perpetual Securities that are to

be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in Singapore dollars or any other currency agreed between the Issuer, the relevant Dealer(s), the Issuing and Paying Agent and the relevant Registrar.

Maturities

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right (but not the obligation) to redeem or purchase them in accordance with the provisions of the terms and conditions of the Perpetual Securities.

Specified Denomination

Definitive Perpetual Securities will be in such denominations as may be specified in the relevant Pricing Supplement save that unless otherwise permitted by then current laws and regulations, Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). Perpetual Securities issued in, or into, Australia may be issued in such denominations as may be agreed save that:

- (i) the aggregate consideration payable to the Issuer by each offeree is at least A\$500,000 (or the equivalent in another currency and disregarding monies lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation for those Perpetual Securities which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia; and
- (ii) the issue complies with all other applicable laws.

Distribution Basis

Perpetual Securities may confer a right to receive distribution at fixed or floating rates.

Fixed Rate Perpetual Securities

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

Floating Rate Perpetual Securities

Floating Rate Perpetual Securities will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the Relevant Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or

- (ii) by reference to SOR, SIBOR, HIBOR, LIBOR or EURIBOR,

(or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

Interest periods will be specified in the relevant Pricing Supplement.

Distribution Periods and Distribution Rates

The length of the distribution periods for the Perpetual Securities and the applicable distribution rate or its method of calculation may differ from time to time or be constant for any Series. Perpetual Securities may have a maximum distribution rate, a minimum distribution rate, or both. The use of distribution accrual periods permits the Perpetual Securities to allow distribution at different rates in the same distribution period. All such information will be set out in the relevant Pricing Supplement.

Distribution Discretion

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

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

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

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of Parity Obligations of the Guarantor or the Issuer for Junior Obligations of the Guarantor or the Issuer and/or as otherwise specified in the applicable Pricing Supplement.

Non-Cumulative Deferral and Cumulative Deferral

If Non-Cumulative Deferral is so provided on the face of the Perpetual Security and the relevant Pricing Supplement, any distribution deferred pursuant to Condition 4(IV) of the Perpetual Securities is non-cumulative and will not accrue interest. The Issuer is not under any obligation to pay that or any other distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an amount up to the amount of distribution which is unpaid (an “**Optional Distribution**”) (in whole or in part) by complying with the notice requirements in Condition 4(IV)(e) of the Perpetual Securities. There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay distributions pursuant to Condition 4(IV) of the Perpetual Securities. Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the holders of all outstanding Perpetual Securities and the Coupons related to them on a *pro rata* basis.

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

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

**Restrictions in the case of
Non-Payment**

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

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Guarantor's or the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Guarantor's or the Issuer's Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Guarantor's or the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Guarantor's or the Issuer's Parity Obligations,

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

**Status of the Senior Perpetual
Securities and the Senior Guarantee**

The Senior Perpetual Securities and Coupons relating to them 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.

The obligations of the Guarantor under the Senior Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Senior Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated

and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

Status of the Subordinated Perpetual Securities and the Subordinated Guarantee

The Subordinated Perpetual Securities and Coupons relating to them constitute direct, unconditional, subordinated 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 any Parity Obligations of the Issuer.

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

Subordination of Subordinated Perpetual Securities

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

No set-off in relation to Subordinated Perpetual Securities

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer and the Guarantor. Notwithstanding the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer or the Guarantor in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them or, as the case may be, the Subordinated Guarantee is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer or the Guarantor, as the case may be (or, in the

event of the winding-up or administration of the Issuer or the Guarantor, the liquidator or, as appropriate, administrator of the Issuer or the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Issuer or the Guarantor as the case may be (or the liquidator or, as appropriate, administrator of the Issuer or the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

Optional Redemption

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Perpetual Securityholders, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

Tax Redemption

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

- (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7 of the Perpetual Securities, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having power to tax, which causes the Perpetual Securities not to qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore (the "ITA"), which position 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 or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Redemption for Accounting Reasons

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

Redemption for Tax Deductibility

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

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the issue date of such Perpetual Securities; or

- (iii) any applicable official interpretation or pronouncement (which, for the avoidance of doubt, includes any ruling) which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the previously generally accepted position which is announced on or after the issue date of such Perpetual Securities,

payments by the Issuer or, as the case may be, the Guarantor, which would otherwise have been tax deductible to the Issuer, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by the Issuer for Singapore income tax purposes.

Redemption upon a Ratings Event

If so provided on the face of the Perpetual Security and the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified thereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency as defined in the Conditions of the Perpetual Securities specified thereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer or, as the case may be, the Guarantor to grant a rating to the Issuer, the Guarantor or, as the case may be, the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency).

Redemption in the case of Minimal Outstanding Amount

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

Redemption upon a Change of Control

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

Limited right to institute proceedings in relation to Perpetual Securities

Notwithstanding any of the provisions in Condition 9 of the Perpetual Securities, the right to institute proceedings for winding-up is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected not to pay that distribution in accordance with Condition 4(IV) of the Perpetual Securities.

Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the winding-up of the Issuer and/or the Guarantor or (ii) the Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than five business days (together, the "**Enforcement Events**"), the Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d) of the Perpetual Securities, institute proceedings for the winding-up of the Issuer and/or the Guarantor and/or prove in the winding-up of the Issuer and/or the Guarantor and/or claim in the liquidation of the Issuer and/or the Guarantor for such payment.

Taxation

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

For further details, please see the section "Taxation – Singapore Taxation" herein.

Listing and Admission to Trading

Each Series of the Perpetual Securities 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. Unlisted Series of Perpetual Securities may also be issued pursuant to the Programme.

Selling Restrictions

The United States, the Public Offer Selling Restriction under the Prospectus Directive (in respect of Perpetual Securities having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, Hong Kong, Singapore, Japan and Australia.

For the purposes of Regulation S, Category 2 selling restrictions shall apply.

For a description of certain restrictions on offers, sales and deliveries of Perpetual Securities and the distribution of offering material relating to the Perpetual Securities, see the section on “Subscription and Sale” herein. Further restrictions may apply in connection with any particular Series or Tranche of Perpetual Securities.

Governing Law

English law, save that the provisions of the subordination provisions in Condition 3(b) of the Perpetual Securities will be governed by, and shall be construed in accordance with, Singapore law, or Singapore law (as specified in the applicable Pricing Supplement).

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following sets out the selected consolidated financial information of the Group for (i) FY2014, FY2015 and FY2016 and (ii) as at 30 September 2014, 30 September 2015 and 30 September 2016. This financial information has been derived from, and should be read in conjunction with, the Group's audited consolidated financial statements for FY2016, including the notes thereto, which appear on pages F-31 to F-160 of this Offering Circular:

CONSOLIDATED INCOME STATEMENT FOR FY2014, FY2015 AND FY2016

	FY2016	FY2015	FY2014 (Restated)
	S\$'000	S\$'000	S\$'000
REVENUE	3,439,592	3,561,525	2,203,026
Cost of Sales	(2,406,856)	(2,479,360)	(1,431,541)
GROSS PROFIT	1,032,736	1,082,165	771,485
Other Losses	(6,527)	(8,400)	(8,063)
Administrative Expenses	(259,387)	(248,433)	(143,018)
TRADING PROFIT	766,822	825,332	620,404
Share of Results of Joint Venture and Associates, Net of Tax	171,377	279,430	144,583
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS ("PBIT")	938,199	1,104,762	764,987
Interest Income	25,296	36,799	44,885
Interest Expense	(167,504)	(186,157)	(88,668)
NET INTEREST EXPENSE	(142,208)	(149,358)	(43,783)
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS	795,991	955,404	721,204
Fair Value Change on Investment Properties	159,711	243,350	234,537
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	955,702	1,198,754	955,741
Exceptional Items	4,641	(2,205)	(148,454)
PROFIT BEFORE TAXATION	960,343	1,196,549	807,287
Taxation	(194,197)	(184,174)	(127,520)
PROFIT FOR THE YEAR	766,146	1,012,375	679,767
ATTRIBUTABLE PROFIT:			
- Before Fair Value Change and Exceptional Items	479,863	543,830	469,817
- Fair Value Change	106,250	219,612	171,309
- Exceptional Items	11,106	7,832	(140,415)
	597,219	771,274	500,711
Non-controlling Interests	168,927	241,101	179,056
PROFIT FOR THE YEAR	766,146	1,012,375	679,767
EARNINGS PER SHARE	18.24¢	24.89¢	20.38¢

CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2014, 30 SEPTEMBER 2015 AND 30 SEPTEMBER 2016

	As at 30 September 2014 (Restated) S\$'000	As at 30 September 2015 S\$'000	As at 30 September 2016 S\$'000
Non-Current Assets			
Investment Properties	11,423,373	12,951,192	13,494,019
Property, Plant and Equipment	1,414,902	1,991,014	1,972,282
Investments In:			
- Joint Ventures	589,385	334,928	240,213
- Associates	216,226	250,460	552,800
Financial Assets	2,164	2,165	2,162
Intangible Assets	503,413	721,164	681,736
Prepayments	4,530	8,349	3,074
Other Receivables	598,657	241,476	228,644
Deferred Tax Assets	112,226	169,724	55,160
Derivative Financial Instruments	7,256	55,935	2,136
	14,872,132	16,726,407	17,232,226
Current Assets			
Inventory	4,119	7,473	5,679
Properties Held for Sale	4,188,067	3,922,672	3,997,551
Prepaid Land and Development Costs	480,143	19,877	60,455
Other Prepayments	31,292	41,328	52,602
Trade and Other Receivables	811,573	843,505	677,821
Derivative Financial Instruments	30,366	20,167	9,361
Bank Deposits	-	-	437,337
Cash and Cash Equivalents	873,378	1,373,140	1,731,343
Assets Held for Sale	-	112,123	-
	6,418,938	6,340,285	6,972,149
Total Assets	21,291,070	23,066,692	24,204,375
Current Liabilities			
Trade and Other Payables	1,593,939	1,314,648	1,694,961
Derivative Financial Instruments	11,520	24,602	46,924
Provision for Taxation	145,794	192,953	236,971
Loans and Borrowings	1,537,757	1,020,137	1,470,116
	3,289,010	2,552,340	3,448,972
Net Current Assets	3,129,928	3,787,945	3,523,177
	18,002,060	20,514,352	20,755,403

	As at 30 September 2014 (Restated) S\$'000	As at 30 September 2015 S\$'000	As at 30 September 2016 S\$'000
Non-Current Liabilities			
Other Payables	347,414	253,751	290,426
Derivative Financial Instruments	9,077	36,592	89,994
Deferred Tax Liabilities	198,067	317,736	206,078
Loans and Borrowings	7,823,952	9,255,320	8,325,421
	8,378,510	9,863,399	8,911,919
NET ASSETS	9,623,550	10,650,953	11,843,484
Share Capital And Reserves			
Share Capital	1,753,977	1,759,858	1,766,800
Retained Earnings	4,543,167	4,995,420	5,222,073
Other Reserves	117,154	(245,798)	(327,733)
Equity Attributable to Owners of the Company	6,414,298	6,509,480	6,661,140
Non-Controlling Interests			
- Perpetual Securities	597,654	1,293,254	1,391,783
	7,011,952	7,802,734	8,052,923
Non-Controlling Interests			
- Others	2,611,598	2,848,219	3,790,561
Total Equity	9,623,550	10,650,953	11,843,484

FY2016 vs FY2015

The Group announced a series of key organisational changes, which took effect from 1 July 2016. The organisational changes comprise the formation of the following SBUs:

- (i) Singapore SBU, which integrates the Singapore Residential and Commercial Properties development and operations. Singapore Commercial Properties include the ownership/management of retail, commercial and industrial properties held by FCT, FCOT and non-REIT entities;
- (ii) Australia SBU, which consists both non-REIT entities and FLT and the development, ownership and operation of residential, commercial and industrial properties in Australia and New Zealand;
- (iii) Hospitality SBU, which encompasses the Group's hospitality operations, and the ownership/operation of hotels and serviced apartments held by FHT and non-REIT entities; and
- (iv) International Business, which comprises development and commercial operations in China, the UK, Vietnam and Thailand.

The comparative business segment information have been restated to take into account the above organisational changes.

Group Profit Statement – Financial Year Ended 30 September 2016

Group revenue and PBIT declined by 3% and 15%, respectively, over FY2015 to S\$3,440 million and S\$938 million, respectively. Excluding share of joint ventures' and associates' fair value gains, PBIT decreased by 7% to S\$936 million.

The decreases were caused mainly by lower contributions from the Singapore and Australia SBUs. In Singapore, the decreases were primarily due to absence of profits from development projects that had achieved Temporary Occupation Permit (“**TOP**”) in prior years. Maiden recognition of profits at North Park Residences and the completed Twin Fountains Executive Condominium (“**EC**”) in Singapore partly moderated the decline. The Australia SBU contributed lower PBIT mainly due to impairment losses recognised on development properties, largely from residential projects in Western Australia, and a weaker Australian dollar. The decline was cushioned by profit recognition from FPA’s C&I division. Excluding the impairment losses, PBIT would have decreased by 2% to S\$265 million. The hospitality business benefited from a full year’s result contribution from newly acquired properties under the Malmaison Hotel du Vin (“**MHDV**”) group in the UK. For the International Business, lower contributions from China developments were offset by contributions from the completed Riverside Quarter Blk 5C in the UK. Share of profits from a newly acquired associate in Thailand, Gold, formed an additional stream of income to the Group’s International Business.

Fair value surplus of S\$160 million was recorded on the investment properties.

Group attributable profit¹ decreased by 12% to S\$480 million and basic earnings per share² based on weighted average number of ordinary shares on issue was 14.3 cents.

Singapore SBU

Overall revenue and PBIT decreased by 17% and 25% to S\$946 million and S\$428 million, respectively.

Revenue for Singapore Commercial Properties was 3% higher at S\$422 million, while PBIT decreased 11% to S\$299 million, when compared to FY2015. Excluding the Group’s share of fair value gains of joint ventures and associates, PBIT increased by 7% to S\$297 million.

The increase was attributed mainly to stronger performance from FCOT arising from the acquisition of 357 Collins Street in August 2015, as well as positive rental reversions and lower operating costs achieved by Alexandra Technopark. This was further bolstered by profit contributions from Waterway Point, Singapore, which commenced operations in January 2016, coupled with stronger operating performance at 51 Cuppage Road and FCT’s Causeway Point.

The gains were partly offset by lower income contributions due to the disposal of a joint venture property, One@Changi City, as well as softer operating results at The Centrepoint and Northpoint, Singapore, due to the unfavourable effects of a fall in occupancy as asset enhancement initiatives are currently underway.

Revenue and PBIT for Singapore Residential Properties decreased to S\$525 million and S\$129 million, down 28% and 45%, respectively. The significantly higher PBIT in FY2015 was due to the tapering off of profits from projects that had achieved TOP. The PBIT this year was mainly attributable to profits from Twin Fountains EC as completed units were delivered, as well as progressive recognition from North Park Residences, Rivertrees Residences and Watertown. Marketing costs incurred for the launch of Parc Life EC in April 2016 further contributed to the decline. The Singapore portfolio achieved sales of 286 units in FY2016, which included 94 units at Rivertrees Residences, 79 units at North Park Residences and 71 units at Parc Life EC.

Australia SBU

Revenue increased by 6% to S\$1,449 million but PBIT decreased by 19% to S\$218 million.

The increase in revenue was driven by the sales of completed projects in FPA’s C&I division. The decline in PBIT was mainly due to impairment losses recognised on development properties, largely from residential projects in Western Australia, and a weaker Australian Dollar. Excluding the impairment losses, PBIT would have decreased by 2% to S\$265 million.

1 Before fair value change on investment properties and exceptional items and distributions to perpetual securities holders.

2 Before fair value change on investment properties and exceptional items and after adjusting for distributions to perpetual securities holders

Hospitality SBU

Revenue and PBIT for the Hospitality SBU were 39% and 9% higher than FY2015 at S\$789 million and S\$135 million, respectively.

The increase in revenue and PBIT was largely driven by full year contributions from the MHDV group of 29 boutique hotels in the UK, Capri by Fraser, Brisbane, Australia and Capri by Fraser, Changi City, Singapore and contributions from newly launched properties Capri by Fraser, Frankfurt, Germany, and Capri by Fraser, Barcelona. Maiden contribution from FHT's newly acquired Maritim Hotel Dresden in Germany, further boosted revenue and PBIT for Hospitality. The gains were partly offset by mark-to-market losses on a cross-currency interest rate swap of S\$16 million.

International Business

Revenue and PBIT decreased by 48% and 13% to S\$253 million and S\$186 million, respectively.

In China, revenue and PBIT decreased to S\$96 million and S\$118 million, down 78% and 44%, respectively. This was mainly due to the absence of one-off gain from the divestment of a commercial property, Crosspoint in Beijing in FY2015 and delay in completion of Phase 3C in Suzhou Baitang in FY2016. The decline was partially offset by the completion of an associate's development project, Gemdale Megacity Phase 3C in Songjiang and higher profits at the Chengdu development as a result of an absence of impairment losses recognised in FY2015. In FY2016, 21 units at completed phases in Suzhou Baitang were sold while the uncompleted Phases 3B and 3C saw sales of 462 units. Sales of 1,195 units was achieved by Gemdale Megacity, while sales of 22 units were achieved at the Chengdu development.

In the UK, revenue and PBIT increased to S\$147 million and S\$47 million, respectively, mainly attributable to sales and profit contribution from Blk 5C of Riverside Quarter as completed units were delivered.

Corporate & Others

Corporate & Others comprises mainly corporate overheads.

Revenue remained relatively unchanged but PBIT was a smaller net loss of S\$28 million compared to S\$75 million in FY2015. This was substantially due to higher corporate management fee income, coupled with lower corporate overheads and favourable exchange movements.

Share of Results of Joint Ventures and Associates

Share of results of joint ventures and associates declined 39% to a net profit of S\$171 million, due mainly to lower share of profits from joint ventures in Singapore and Australia. These were partially offset by profit contributions from the newly acquired Thai associate, Gold, and Waterway Point, Singapore.

Net Interest Expense

Net interest expense was S\$142 million, compared to S\$149 million in FY2015. The decrease was due mainly to smaller mark-to-market losses on interest rate swaps. Excluding the mark-to-market effects, borrowing costs were higher at S\$133 million compared to S\$121 million in FY2015. This was in line with new loan facilities drawn to fund new investments and acquisitions of properties.

Exceptional Items ("EI")

EI was a net gain of S\$5 million compared to a net loss of S\$2 million in FY2015. The net gain of S\$5 million comprised mainly the gain on divestment of interest in an associate, which holds Compass Point, partly offset by transaction costs incurred on the transfer of investment properties to FLT and listing of FLT on the SGX-ST. The net loss in FY2015 was largely due to professional fees and stamp duties incurred on the acquisitions of hotels in the MHDV group and by FHT, mitigated by a gain on divestment of a Thailand joint venture and associate.

Tax

The Group's effective tax rate ("ETR") of 20.2% (FY2015: 15.4%) was higher than the statutory corporate tax rate of 17.0% primarily due to contributions from group entities operating in jurisdictions with higher prevailing corporate tax rates, e.g. Australia which has a prevailing corporate tax rate of 30.0%. Higher contributions from these overseas entities coupled with a reduction in non-recurring items such as non-taxable capital gains had led to a higher ETR as compared to FY2015.

Group Balance Sheet as at 30 September 2016

The increase in Investment Properties of S\$543 million was due to development expenditure incurred on the Group's investment properties under construction of S\$488 million, fair value gains of S\$172 million and the acquisition of Maritim Hotel Dresden in Germany of S\$89 million, partially offset by disposals of five (5) properties in Australia of S\$452 million.

The decrease in Property, Plant and Equipment of S\$19 million was mainly due to exchange re-alignment losses on UK hotel properties, partially offset by the addition of hotel properties of S\$76 million on the acquisition of subsidiaries in the UK through MHDV.

Investments in Joint Ventures and Associates increased by S\$208 million. This was mainly due to the acquisition of an interest in a Thai associate, Gold, of S\$231 million, as well as the share of results from joint ventures and associates of S\$171 million. The increase was partially offset by the receipt of dividends from joint ventures and associates amounting to S\$197 million.

The decrease in Trade and Other Receivables of S\$178 million was mainly due to sales proceeds collected from development projects, settlement of a S\$64 million loan due from an associate pursuant to its disposal, receipt of proceeds of S\$79 million from FY2015's disposal of a subsidiary and the settlement of a loan to a joint venture of S\$31 million. The decrease was partially offset by a loan to a joint venture for the new Siglap project amounting to about S\$102 million, as well as progress billings receivable on completion of projects in Australia.

The increase in Properties Held for Sale of S\$75 million was mainly due to progressive development expenditure for projects in Australia, China, Singapore and the UK, as well as the acquisition of Central House, a freehold building in central London. This increase was partially offset by the delivery of a substantial number of completed units in Australia, China and Singapore along with profit recognition.

Trade and Other Payables increased by S\$417 million. This was largely due to sales proceeds recognised and additional provision for Land Appreciation Tax following the launch of Phase 3C1 of the Suzhou Singlong project, as well as a new entrustment loan taken from an associate.

The decrease in Loans and Borrowings of S\$480 million was mainly due to the repayment of external bank loans in Australia on the listing of FLT in the SGX-ST which raised equity capital of S\$1 billion. This was partially offset by the issue of a S\$250 million 10-year fixed rate note and a US\$200 million fixed rate note. The net proceeds of these issuances are used for general corporate purposes, including financing the investments of the Group, refinancing of existing borrowings and other working capital purposes.

Group Cash Flow Statement – Financial Year Ended 30 September 2016

The net cash outflow from investing activities of S\$722 million was mainly due to development expenditure on investment properties of S\$718 million, purchase of structured deposits of S\$437 million, acquisition of subsidiaries in the UK of S\$77 million and investments in/ loans to joint ventures and an associate of S\$375 million. These are partially offset by proceeds from disposal of assets held for sale of S\$113 million, proceeds from disposal of investment properties of S\$452 million, repayment of loans from a joint venture of S\$40 million, proceeds from disposal of a subsidiary of S\$79 million, and proceeds from dividends from joint ventures and associates of S\$197 million. The net cash outflow from investing activities of S\$1,401 million in FY2015 was mainly due to the purchase of investment properties of S\$1,527 million, mainly due to the completion of land purchase for Northpoint City and acquisition of Capri by Fraser, Changi City in Singapore.

The net cash outflow from financing activities of S\$56 million was mainly due to net repayments of bank borrowings of S\$940 million, dividends paid of S\$456 million, interest paid of S\$166 million, which is partially offset by contributions from non-controlling interests of S\$1,000 million, net proceeds from issue of bonds of S\$521 million and net proceeds from issue of perpetual securities of S\$99 million. The net cash inflow from financing activities in FY2015 was mainly due to net proceeds from bank borrowings of S\$439 million, contributions from non-controlling interests of S\$237 million and net proceeds from the issue of bonds and perpetual securities of S\$498 million and S\$696 million, respectively. This was partially offset by dividends paid of S\$435 million and interest paid of S\$166 million.

RISK FACTORS

Prior to making any investment decision, prospective investors in or existing holders of the Securities should consider carefully all of the information in this Offering Circular, including any documents incorporated by reference herein and the risks and uncertainties described below. The business, financial condition or results of operations of the Group could be materially adversely affected by any of these risks. The Issuer and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under the Securities issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring. Additional risks which the Issuer and/or the Guarantor are currently unaware of may also impair their businesses, assets, financial condition, performance or prospects.

This Offering Circular does not purport to nor does it contain all information that a prospective investor in or existing holder of the Securities may require in investigating the Issuer, the Guarantor or the Group, prior to making an investment or divestment decision in relation to the Securities issued under the Programme. Neither this Offering Circular nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Securities (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor or any of the Arrangers or the Dealers that any recipient of this Offering Circular or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Securities. This Offering Circular is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Securities only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Securities is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Offering Circular acknowledges that such person has not relied on the Issuer, the Guarantor, their respective subsidiaries (if any) or associated companies (if any) or joint venture companies (if any), any of the Arrangers or the Dealers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Offering Circular contemplating subscribing for or purchasing or selling any of the Securities should determine for itself the relevance of the information contained in this Offering Circular and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Guarantor, their respective subsidiaries (if any), associated companies (if any) and joint venture companies (if any), the terms and conditions of the Securities and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Securities.

RISKS RELATING TO THE BUSINESS AND OPERATIONS OF THE GROUP

The Group is affected by government measures to cool the property market in the countries in which it operates

The Singapore government has in recent years implemented a series of measures to cool the Singapore property market and ensure a stable and sustainable property market where prices move in line with economic fundamentals. The China government has also recently implemented measures to cool the China property market and ensure that property prices move in line with economic fundamentals. Similarly, the Australian government may implement measures, such as the introduction of stamp duty for foreigners, to cool the Australian property market and ensure that property prices move in line with economic fundamentals.

Such measures may affect the purchasing power of potential buyers of residential properties and dampen the general sentiments of the residential property market, resulting in reduced demand for engineering and construction activities. There is no assurance that these measures introduced by the Singapore government and the China government will not adversely affect the sales of residential property units in Singapore and China respectively, or that the Singapore government or the China government will not introduce further measures to regulate the growth of the Singapore property market and the China property market. Such measures and the introduction of any new measures in the countries the Group operates in may have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

The Group is dependent on the performance of the property industry in the countries in which it operates

The Group's business is subject to the performance of the property industry in the countries it operates in, where property prices are largely affected by supply and demand for properties. The demand for properties could be adversely affected by any of the following:

- weakness in the local and regional economies;
- competition from other property developers;
- surge in supply of properties for sale;
- adverse government regulation;
- absence of financing for purchase of properties; and/or
- higher interest rates.

To the extent that any of these factors occur, they are likely to impact the demand for the Group's properties and pricing which will then affect the business, financial condition, results of operations and prospects of the Group and the value of the Group's properties. The Group may also incur losses in its property development business by retaining unsold properties or selling them below cost in a depressed market. In the event that the Group is unable to sell its unsold properties, the Group may incur holding costs, including interest costs and maintenance costs.

Higher interest rates may adversely impact the demand for the Group's residential properties

An increase in interest rates in Singapore and/or any of the countries in which the Group operates may negatively impact the demand for the Group's residential units. For example, changes in monetary policies by central banks can have a negative impact on the real estate sector, particularly where such changes result in a rise in long term interest rates. Higher interest rates may impact demand for the Group's residential units by making it more expensive and difficult for potential purchasers to secure financing, which can lead to a decrease in the demand for residential units.

The Group is subject to revenue and profit volatility

The Group's revenue from its property development business in any financial year may fluctuate as it is predominantly project-based and is dependent on the number, value and stage of completion of the property development projects it undertakes. Accordingly, there is no assurance that the amount of revenue and profits from the Group's sale of development properties will remain comparable each year. In the event that the Group undertakes fewer or no new property development projects for any reason or if there is any delay in the progress of any of the property development projects, its revenue and profits recognised in that financial year, and accordingly its financial position, may be adversely affected. As such, potential investors should note that the historical financial performance and financial condition of the Group are not to be taken as an indication of the future financial performance and financial condition of the Group in any financial reporting period.

Further, in compliance with the FRS, the Group's accounting policy recognises revenue from the sale of development properties (excluding executive condominium projects) in Singapore using the percentage of completion ("POC") method and the sale of development properties outside Singapore using the completion method. Under the POC method, revenue is recognised by reference to the stage of completion as certified by the independent architects or quantity surveyors for the individual units sold, whereas under the completion method, revenue is recognised where transfer of significant risks and rewards of ownership of the development properties coincides with the time when the property is completed. The Group has no intention of changing its accounting policy in the immediate future. However, in the event that the FRS is amended and the Group is required to change its accounting policy in relation to revenue recognition from the POC method to completion method or *vice versa*, the Group's revenue on a year-to-year basis will be more volatile as a result of different numbers of completed projects in different financial years.

The Group's business and expansion plans are capital intensive and subject to its ability to raise capital

The Group's ability to develop and invest in properties depends on continued capital spending, including the construction of new facilities and the maintenance and upgrading of its existing facilities and the acquisition of land, buildings and real estate businesses. There can be no assurance that financing, either on a short-term or a longer-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group. If the Group is unable to secure necessary financing or secure such financing on terms which are favourable to it, whether through external debt financing, equity financing and/or internally generated cash flows, which is required to maintain or expand the Group's facilities and land bank, this could adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group's property development business pursues a strategy of pre-selling its development properties. This reduces the need for the Group to seek external financing as payments are received in advance from the purchasers of its development properties. The Group's pre-selling strategy may not be sufficient to cover all of its anticipated financing needs.

If external debt financing is secured, the Group will be exposed to risks associated with debt financing. The Group will also be subject to the risk that its existing borrowings may be terminated by the lenders upon occurrence of certain events (such as a failure to make interest payments, rectify any breach in the main construction agreement or to meet project completion timelines) and it may not be able to refinance its existing borrowings or that the terms of any refinancing will not be as favourable as the terms of its existing borrowings. In addition, the Group may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and its ability to meet required payments of principal and interest on its indebtedness. Such covenants may also restrict the Group's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits.

The Group may be affected by funding difficulties

The acquisition of real estate businesses is capital intensive. The ability of the Group to raise funds (equity or debt) on acceptable terms will depend on a number of factors including market conditions, general economic and political conditions as well as the Group's performance, credit rating and credit availability.

Changes in the costs of current and future borrowings and equity raisings may impact the earnings of the Group, and impact the availability of funding for new acquisitions or increase refinancing risks as debt facilities mature.

The Group's financing cost may be adversely impacted by increase in interest costs

The Group may be subject to risks normally associated with debt financing, including adverse changes in interest rates and the inability to meet payments of principal and interest. This is because a material increase in interest rates would increase borrowing and financing costs, which may in turn weaken the Group's projects and the Group's financial standing when seeking future financing to be secured on the Group's projects or financials. This may adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group is subject to risks inherent in investing in entities which the Group does not control and the manner in which the Group holds its investments and property interests

The Group holds and expects, in the future, to hold a portion of its property interests through interests and investments in entities that are not its subsidiaries and over which the Group does not have majority control, such as REITs and joint venture entities. The performance of these entities and the Group's share of their results is subject to the same or similar risks that affect the Group as described in this section.

There can be no assurance that the Group will be able to influence the management, operation and performance of these entities, whether through its voting rights, contractually, or as manager of some of these entities, in a manner which would be favourable to the Group, or at all. Further, disputes may occur between the Group and its joint venture partners and/or other investors regarding the business and operations of such joint ventures, which may not be resolved amicably. In addition, the Group's joint venture partners and/or other investors may (i) have economic or business interests or goals that are not aligned with the Group, (ii) take actions contrary to the Group's instructions, requests, policies or objectives, (iii) be unable or unwilling to fulfil their contractual obligations (for example, they may default in making payments during future capital calls or capital raising exercises), (iv) have financial difficulties, (v) experience a decline in creditworthiness, or (vi) have disputes with the Group as to the scope of their responsibilities and obligations.

The occurrence of any of these events may materially and adversely affect the performance of the Group's joint ventures, which in turn may materially and adversely affect the business, financial condition, results of operations and prospects of the Group.

Some of the Group's investments are in entities that are structured to achieve tax efficiency or transparency, such as REITs and other special purpose vehicles that are located in jurisdictions that do not tax income or other gains or that provide tax incentives. In the event that the intended tax efficiency or transparency is not achieved by the vehicles through or in which the Group's investments are made, whether as a result of a loss or revocation of a tax ruling by a competent tax authority, or a change in or in the interpretation of applicable tax laws or otherwise, this could reduce the return on its investments and increase its operating costs and expenses, and in turn could have a material adverse impact on its business, financial condition, results of operations and prospects. Some of the Group's investments, such as those in FCT, FCOT, FHT and FLT, are investments in entities which are listed or traded on a securities exchange. There can be no assurance that the market price of the securities of the entity the Group has invested in reflects accurately to any degree the underlying value of the business, or the assets owned by it, or that it will be able to realise the Group's investment in the entity at the then prevailing market price, or at all.

The Group may not be able to successfully implement its business strategy

In determining the Group's strategies and future plans, it has made certain assumptions about the future economic performance of the countries in which it currently operates and that the Group has identified as its key investment regions. The successful implementation of the Group's strategies will entail actively managing its properties, identifying suitable acquisition opportunities and making such acquisitions, undertaking development or asset enhancement initiatives, securing tenants, raising funds in the capital or credit markets, and the co-operation of the Group's partners who invest with it, its tenants, and other counterparties. The Group's ability to successfully implement its strategies is also dependent on various other factors, including but not limited to the competition it faces in its business, which may affect its ability to acquire properties and secure tenants on terms acceptable to it, and its ability to retain its key employees. The Group's ability to expand into new markets is dependent on its ability to adapt its experience and expertise and to understand and navigate the new environment. There is no assurance that the Group will be able to implement all or some of its business strategies and the failure to do so may materially adversely affect its business, financial condition, results of operations and prospects.

The Group may be involved in legal and other proceedings from time to time

From time to time, the Group may be involved in disputes with various parties such as contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the development, production, operation, purchase and sale of the properties or products of the Group. These disputes may lead to legal and/or other proceedings, and may cause the Group to suffer additional costs and delays in the construction or completion of its properties or the delivery of its products. In addition,

the Group may, from time to time, have to deal with issues or disputes in connection with regulatory bodies in the course of its operations, which may result in the Group being subject to administrative proceedings and unfavourable orders, directives or decrees that may result in financial losses and delay the construction or completion of its projects.

There is no assurance that these disputes will be settled or settled on terms which are favourable or reasonable to the Group. In the event such disputes are not settled or are not settled on terms which are favourable or reasonable to the Group, the business, financial condition, results of operations and prospects of the Group may be adversely affected.

The loss of any key members of senior management may affect the Group's continuing ability to compete

The continuing success of the Group is dependent to a certain extent upon the abilities and continuing efforts of its existing directors and senior management. If the Group were to lose the services of any of the key members of senior management, it may not be able to replace those members with persons of comparable expertise or experience, either on a timely basis or at all.

Accordingly, the loss of any key members of senior management may affect the Group's continuing ability to compete.

The Group's investments in foreign subsidiaries and jointly held entities are exposed to foreign exchange fluctuation risks

The Group's reporting currency is Singapore dollars and the functional and reporting currencies of its subsidiaries, joint ventures and associated entities are in various foreign currencies such as Australian dollar, Chinese renminbi, Malaysian ringgit, New Zealand dollar, Sterling pound, Thai baht, U.S. dollar, Japanese Yen and Euro.

Any fluctuations in currency exchange rates will impact the value of its equity investments and earnings from its overseas operations. A foreign exchange loss may have an adverse effect on the financial condition of the Group.

Occurrence of any war, terrorist attacks, adverse political developments, riots, civil commotions, acts of God and any events beyond the Group's control may adversely and materially affect its business, financial condition, results of operations and prospects

Any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, adverse political developments, riots, civil commotions, acts of God, such as natural disasters, fire, earthquakes or flooding and any other events beyond the control of the Group may materially and adversely affect the regional or global economy and/or the infrastructure and livelihood of the local population of the areas in which the Group operates, and in addition, may cause physical damage to the Group's properties resulting in significant disruption to the business and operation of the Group's properties. There is no assurance that the occurrence of any such events will not, directly or indirectly, have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

The outbreak of an infectious disease or any other serious public health concerns in Asia, Australia, Europe, the Middle East and/or elsewhere could adversely impact the business, financial condition, results of operations and prospects of the Group

The outbreak of an infectious disease (such as MERS, Ebola, the avian flu, H1N1, SARS and the Zika virus) in Asia, Australia, Europe, the Middle East and/or elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities of the various countries in which the Group operates. There can be no assurance that any precautionary measures taken against infectious diseases would be effective. A future outbreak of an infectious disease or any other serious public health concerns in Asia, Australia, Europe, the Middle East and/or elsewhere could adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group may suffer material losses in excess of insurance proceeds

The Group maintains insurance policies covering its properties in line with general market practice and legal requirements. Where practicable, the Group also maintains certain terrorism, property damage, business interruption and general liability insurance in the various countries in which it operates.

In addition, certain types of risks (such as risk of war, terrorist acts and losses caused by the outbreak of contagious diseases) may be uninsurable or the cost of insurance may be prohibitive. There are certain types of losses (such as from wars or acts of God) that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose the capital invested in the affected property as well as anticipated future revenue from that property. The Group would also remain liable for any debt or other financial obligation related to that property. No assurance can be given that uninsured losses or losses in excess of insurance proceeds will not occur in the future.

Such an event would adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group may not be able to secure new property development projects and new land sites

The Group competes with other property developers to secure land sites and is subject to the availability of suitable land sites. Failure to secure suitable land sites for property development in a timely and cost effective manner would affect the revenue of the Group. In addition, the failure to secure potential and profitable new property projects would have an adverse effect on the Group's revenue and profitability.

Due diligence on the Group's properties may not identify all material defects, breaches of laws and regulations and other deficiencies

There can be no assurance that the Group's reviews, surveys or inspections (or the relevant review, survey or inspection reports on which the Group has relied) would have revealed all defects or deficiencies affecting properties that the Group has interests in or manages, including to the title thereof. In particular, there can be no assurance as to the absence of latent or undiscovered defects, deficiencies or inaccuracies in such reviews, surveys or inspection reports, any of which may have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group is exposed to general risks associated with the ownership and management of real estate

Real estate investments are generally illiquid, limiting the ability of an owner or a developer to convert property assets into cash on short notice with the result that property assets may be required to be sold at a discount in order to ensure a quick sale. Such illiquidity also limits the Group's ability to manage its portfolio in response to changes in economic or other conditions and may affect its ability to vary the size and mix of its portfolio. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to their illiquidity or due to restrictions in the Group's various debt obligations. These factors could affect the Group's gains from realisation of its investments in real estate assets, including the value at which it may dispose of its holdings in entities that hold the real estate assets, the income or other distributions received by it from its holdings in REITs or other vehicles which the Group has invested in, which in turn would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's property investments are subject to risks incidental to the ownership and management of residential, retail, commercial, industrial and hospitality properties including, among other things, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire and inability to dispose of major investment properties for the values at which they are recorded in the Group's financial statements. The Group may also be subject to increased operating costs, the need to renovate and repair space periodically and may be liable to pay the associated costs of wars, terrorist attacks, riots, civil commotions, natural disasters and other events beyond its control. The Group's activities may also be impacted by changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and governmental charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights relating to the relevant properties may also be restricted by legislative action, such as revisions to the laws relating to building standards or town planning laws or the enactment of new laws relating to government appropriation and redevelopment.

The Group is subject to risks relating to the quality and extent of the title to or interests in the properties in its portfolio

The quality, nature and extent of the title to the land and properties in the Group's portfolio of property interests varies, depending on a number of factors, *inter alia*:

- the country and location of the property;
- the laws and regulations applicable to the property;
- the stage of development of the property;
- the extent to which the contract pursuant to which the property interest was acquired has been performed, the extent to which the terms and conditions thereunder have been complied with, and the amount of the purchase consideration which has been paid;
- the extent of compliance by the Group or any other relevant party (including previous owners, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with all relevant laws and regulations relating to the ownership, use, sale, development or construction of the property;
- the manner under which the interest in the property is held, whether through a joint venture, a development agreement, under a master lease, an option to purchase, a sale and purchase agreement, through asset-backed securities or otherwise;
- in the case where the property interests are leasehold interests, the extent of compliance by the Group or any other relevant party (including previous lessees or lessors, the vendor of the property and the entity in which the Group has invested that has acquired or is acquiring the property) with the terms and conditions of the state or head lease or any other document under which the title of the property is derived; and
- the capacity, power, authority and general creditworthiness of the counterparties to the contractual and other arrangements through which the Group has acquired its interest in the property.

The properties in the Group's portfolio are held through different types of interests. As some of the Group's property interests are derived through contractual arrangements, these property interests are subject to, and dependent on, the legality, validity, binding effect and enforceability of the contract, the performance and observance of the terms and conditions set out in the contract by the parties thereto and the capacity, power, authority and creditworthiness of such parties, the fulfilment of any conditions precedent to the parties' obligations under the contract, and compliance by the parties with all relevant laws and regulations relating to the sale, development and construction of the property. For instance, some of the contractual arrangements provide that title to the underlying land and/or buildings will only be issued when the necessary governmental and regulatory approvals, such as approvals for acquisition or development, the issue of title or strata title documentation, or change of land use certificates, among others, are obtained. In other cases, the contractual arrangements are subject to conditions precedent, such as full payment of the purchase price, completion of construction, environmental remediation and execution of other documents.

There can be no assurance that the legality, validity, binding effect and enforceability of the contractual arrangements from which the Group derives its property interests will not be challenged, that the conditions precedent stated in the contract will be fulfilled or that the parties to the contract (including the entities in which the Group has invested that may be parties to the contract) will perform and comply with the terms thereof and will not have disagreements among each other in respect of the interpretation and implementation of the contract. If any of these events occur, the Group's interest in the property and the value thereof may be adversely affected.

The interests in some of the properties in the Group's portfolio are derived from arrangements where a deposit has been paid by the Group or by an entity in which it has invested, in anticipation of executing a sale and purchase agreement to acquire the relevant land and/or buildings. The execution of a sale and purchase agreement may be subject to regulatory approvals and agreement among the parties to the terms of the sale and purchase agreement, and other conditions. In the event a sale and purchase agreement is not executed, the deposit may be returned or may be forfeited, which may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

The limitations described above on the quality, nature and extent of the title to the land and properties in the Group's portfolio of property interests impact its ability to deal with and have control over its property interests, and the conditions under which it may own, develop, operate or manage the property. There can be no assurance that the quality, nature and extent of the title to the Group's property interests will not be challenged or adversely impacted or will not adversely affect its ability to deal with its property interests and in turn the value of its investment in these properties.

The properties in which the Group has interests are currently located in various countries, and the extent and quality of title depends on the laws and regulations of the relevant jurisdiction. Certain of these jurisdictions may have an immature property law and lack a uniform title system. As such, there is potential for dispute over the quality, existence and nature of the title purchased from previous landowners or property owners. In addition, the Group may be engaged in protracted negotiations each time it acquires land or property, which may result in purchases of property (and thereby the obtaining of title) being delayed or not proceeding in the event that negotiations are unsuccessful. In addition, title insurance is not generally available in the countries the Group has invested in, and, as such, its property interests are not covered by title insurance. In the event the Group is not able to obtain, or there is a delay in obtaining, clear title to the land and properties it has an interest in, or its claim to title is the subject of a dispute, the Group's business, financial condition, results of operations and prospects may be adversely affected.

Declines in property values may lead to downward revaluations of the properties in which the Group holds interests

The Group holds interests in retail, commercial, industrial and hospitality properties in various countries and there can be no assurance that property prices in any of these countries will not decrease such that a downward revaluation of the properties is required.

Real estate assets are inherently difficult to value. As a result, valuations are subject to substantial uncertainty and subjective judgments and are made on the basis of assumptions which may not be correct. Additionally, the inspections of the Group's properties and other work undertaken in connection with a valuation exercise may not identify all material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation. There can be no assurance that the Group's property interests will retain the price at which it may be valued or that the Group's investment in such properties will be realised at the valuations or property values the Group has recorded or reflected in the Group's financial statements or in this Offering Circular.

The Group's completed investment properties are initially recognised at cost, including transaction cost and subsequently carried at fair value determined annually. The Group's properties are and will be valued with an independent valuation carried out at least once every two years. The Group assesses the valuation of each interest to ensure that the carrying amount of each investment property reflects the market conditions as at the relevant financial reporting date. The value of the Group's interest in properties may fluctuate from time to time due to market and other conditions, including prevailing interest rate conditions. Such adjustments to the Group's share of the fair value of the properties in its portfolio could have an adverse effect on its net asset value and its profitability. They may also affect the Group's ability to incur more borrowings, or result in it having to reduce debt, if the financial covenants in its financing and other agreements require it to maintain a level of debt relative to its asset value, and such covenants are triggered as a result of adjustments made to the fair value of its properties in its portfolio.

For properties held by REITs, revaluation losses in respect of the properties so held may significantly decrease the management fees the Group may earn from managing these properties, and such reductions in its revenue may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to risks inherent in acquiring ownership interests in properties which are part of a larger development or which share or have common areas

Some of the properties in which the Group has an interest may be part of a larger development which comprises other real estate components, such as retail, residential or commercial units, or are adjacent to or incorporate common or other areas which are shared with owners of neighbouring properties. Any development or asset enhancement works that the Group proposes for its properties may require the consent of these owners, which may not be forthcoming in a timely manner or at all, or on terms acceptable to it. The Group's inability to obtain the requisite consent of these owners may affect its ability to deal with its interests in some of its properties in a manner which achieves its objectives and in turn could have a material adverse impact on its business, financial condition, results of operations and prospects. The Group's lack of control and rights to manage the shared or common areas at such properties means that it may not be able to ameliorate any shortcomings or deterioration of, or execute any enhancement works on, the shared or common areas. Further, the Group will also not be able to determine the service charges and sinking fund contributions towards maintenance and upkeep of the shared or common areas, any or all of which events could have an adverse effect on its business, financial condition, results of operations and prospects.

The Group is subject to significant government regulation in the countries where it operates

The laws and regulations in the countries where the Group operates are at times ambiguous and their interpretations and applications can be inconsistent or uncertain, making compliance with them challenging, and may be potentially detrimental to the Group. If the Group fails to obtain the relevant approvals or comply with applicable laws and regulations, it may be subject to penalties, have its licences or approvals revoked, or lose its right to own, develop or manage its properties and its businesses, among other things, any or all of which could have a material and adverse impact on the Group's business, financial condition, results of operations and prospects. See the risk factor entitled "*The Group relies on contractors to provide various services*" for further information.

In addition, the real estate industry in the countries in which the Group operates is subject to significant government regulation. In particular, regulatory approvals may be required for, among other things, land and title acquisition or divestment, development planning and design, construction, renovation and asset enhancement, and mortgage financing and refinancing. Such approvals may stipulate, among other things, maximum periods for the commencement and/or completion of development of the land and restrictions on the usage of land. Some of these countries may also restrict the level, percentage and manner of foreign ownership and investment in real estate. A failure to obtain or comply with such approvals may result in a forfeiture of land by the relevant government authority or fines being imposed, which may have an adverse effect on the Group's business, financial condition, results of operations or prospects.

In addition, in the countries where the Group operates, in order to develop and complete a property development, a property developer must obtain various permits, licences, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including but not limited to, land use rights certificates, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion and acceptance.

Each approval is dependent on the satisfaction of certain conditions. In some circumstances, the Group may apply or may have applied for permits in parallel with preliminary construction activities. Problems may be encountered in obtaining such government approvals or in fulfilling the conditions required for obtaining the approvals, especially as new laws, regulations or policies may come into effect from time to time with respect to the real estate industry in general or the particular processes with respect to the granting of approvals. If the Group fails to obtain relevant approvals or permits or fulfil the conditions of those approvals for the Group's property developments, these developments may not proceed as scheduled, and the Group's business, financial condition, results of operations and prospects may be adversely affected.

The Group is subject to the risk of expropriation of its properties in the countries where it operates

The laws of the relevant countries in which the Group's properties are currently located and regions into which it may, in the future, expand to, allow to various degrees their respective governments, to compulsorily acquire land and buildings under certain circumstances, including if it is in the public interest to do so, and under circumstances where compensation may be less than the value of the relevant property or building.

In the event that all or any part of the Group's land or property is compulsorily acquired, the compensation paid in respect of the acquired property could be less than its market value or the price it has paid for acquiring the property which could adversely affect its business, financial condition, results of operations and prospects.

The Group is subject to development and construction risks relating to the development and asset enhancement of its properties

The Group may, from time to time, undertake, or subject the properties in which it has an interest to development or asset enhancement initiatives. The implementation of a development project or an asset enhancement initiative, as well as the time and costs required to complete a development project or an asset enhancement initiative may be adversely affected by various factors, *inter alia*:

- delays or inability to obtain all necessary zoning, land use, building, development and other required governmental and regulatory licences, permits, approvals and authorisations;
- construction risks delaying the completion of development projects or resulting in additional costs to the Group;
- the failure to resolve squatter and related settlement issues or otherwise;
- the need to make significant capital expenditures without receiving revenue from these properties until future periods;
- possible shortage of available cash to fund construction and capital improvements and the related possibility that financing for these capital improvements may not be available on acceptable terms or at all; and
- uncertainties as to market demand or a loss of market demand after construction or asset enhancement work has begun.

There can be no assurance that any or all of the current or future development or asset enhancement projects affecting the properties in which the Group has an interest will be completed within the anticipated time frame or budget, if at all, whether as a result of the factors specified above or for any other reason. The inability to complete a major development or asset enhancement project within the anticipated time frame and budget could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, significant pre-operating costs may be incurred and there can be no assurance that these costs can be recovered within a brief period or if at all, and there may be a substantial length of time before a development or asset enhancement project generates revenues and positive cash flows. The failure to adequately prepare for pre-operating costs could adversely affect the Group's business, financial condition, results of operations and prospects.

The Group is subject to fluctuations in the costs of construction materials, labour and equipment

The construction cost of the Group's projects fluctuates with the prices of various construction materials, such as metal, stone, cement, sand, pipes, electric cables, sanitary fittings, window and door fittings, light fittings and other materials. The costs of leasing construction equipment, including excavators, cranes and lifting hoists, may also fluctuate over time due to changing market supply and demand conditions.

Besides, the construction of the Group's projects requires a relatively large number of skilled and unskilled labour. In the event of any material increase in the costs of construction materials, labour and equipment, and if the Group is unable to secure alternative supply at costs acceptable to it or pass such additional costs to its customers, the operating costs of its projects will increase. As a result, the Group's profitability and financial performance will be adversely affected.

The Group relies on contractors to provide various services

The Group engages or will engage third-party contractors to provide various services in connection with its property developments and with the day-to-day operations of its properties and physical asset enhancement works, including construction, piling and foundation, building and property fitting-out and landscaping work, alterations and additions, interior decoration and installation of air-conditioning units and lifts. There is no assurance that the services rendered by third-party contractors will be satisfactory or match the Group's targeted quality levels. The Group is also exposed to the risk that a contractor may require additional capital in excess of the price originally tendered to complete a project and the Group may have to bear such additional amounts in order for the contractor to complete the project. In addition, the Group is subject to the risk of its third-party contractors failing to obtain relevant permits and/or approvals required for the provision of their services.

Furthermore, there is a risk that such contractors may experience financial or other difficulties, which may affect their ability to carry out construction works, thus delaying the completion of development projects beyond the deadline for completion stipulated in the relevant tender conditions and resulting in additional costs to and/or penalties payable by the Group.

If any of these events were to occur, the business, financial condition, results of operations and prospects of the Group may be adversely affected.

The property business is highly competitive

The Group's property development operations face competition from both international and local property developers with respect to factors such as location, facilities and supporting infrastructure, services and pricing. Competition between property developers may result in increased costs for land acquisition, oversupply of properties and a slowdown in the approval process for new property developments by the relevant government authorities, all of which may adversely affect the Group's development business. The Group's strategies may not be effective, it may not be able to compete successfully in the future against its existing or potential competitors or it may face increased competition with respect to its activities. Any of these events may have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

Some of the properties in which the Group has an interest compete for tenants with numerous developers, owners and operators of retail, residential, commercial, industrial and hospitality properties, many of which own properties similar to, or which compete with, the Group's properties. This competition may affect the occupancy rates and rental rates of the Group's properties. The competition may result in the Group having to lower its rental rates or incur additional capital expenditure to improve the Group's properties.

The Group is subject to risks in relation to its pre-sold properties

In the event the Group pre-sells any properties prior to completion of construction, the Group may be liable for potential losses that purchasers of such pre-sold properties may suffer if there is a failure or delay in the delivery of such pre-sold properties. Failure to complete a property development on time may be attributed to factors such as delays in obtaining requisite licences, permits or approvals from government agencies or authorities, shortages of labour, adverse weather conditions, natural disasters, labour disputes, disputes with contractors, accidents and changes in government priorities and policies. If the delay in delivery extends beyond the contractually specified period, purchasers may also be entitled to terminate the pre-sale agreements and claim refunds of moneys paid, damages and compensation for late delivery. The Group may also be subject to default by purchasers of such pre-sold properties in making payments for these properties. It is possible that the Group may experience failure or significant delays in completion or delivery and in such event, the business, financial conditions, results of operations and prospects of the Group may be adversely affected.

The Group's future cash flow may be affected by the Group's exposure to key tenants

Part of the Group's retail, commercial and industrial space is leased to key tenants because of their ability to attract customers and/or to attract other potential tenants. The Group's ability to lease vacant units and the value of such units in the Group's retail and commercial and industrial properties could be adversely affected by the loss of a key tenant in the event such key tenant files for bankruptcy or insolvency or experiences a downturn in its business. Space that has been vacated by a key tenant can reduce the demand for and value of other retail, commercial and industrial units in the Group's retail, commercial and industrial properties, for example, in the case of retail units, because of the loss of the departed key tenant's customer-drawing power. In addition, the Group may face difficulties in finding suitable replacement tenants for space vacated by key tenants in a timely manner, if at all, and if found, the lease terms with such replacement tenants may be less favourable or satisfactory. Under certain market conditions, key tenants may receive more favourable terms, for example, lower rental rates or other incentives. Accordingly, the Group's ability to optimise its revenue and cash flow for such retail, commercial and industrial space that has been leased to such key tenants could be adversely affected. Any of these events could materially and adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group's hospitality business is subject to all of the risks common in the hospitality industry

A number of factors, many of which are common to the hospitality industry and beyond the Group's control, could materially and adversely affect the Group's hospitality business unit, including but not limited to the following:

- major events affecting either economic or political stability on a global and regional level represent an exposure to the Group. Economic events, such as a global financial crisis, could include recessionary pressures which would have an impact on occupancy rates, which would in turn impact the Group's revenue, operating costs and profitability. Political risk could include changes in the regulatory environment in which the Group's business activities operate, including revocation of hospitality licences, restrictions on the repatriation of funds or control over the ownership of assets;
- the hospitality industry operates in an inherently cyclical market place. A weakening of demand, or an increase in market room-supply, may lead to downward pressure on room rates which in turn would lead to a negative effect on operating performance;
- sustained levels of occupancy and room rates can be adversely affected by events that reduce domestic or international travel. Such events may include acts of terrorism, war or perceived increased risk of armed conflict, epidemics, natural disasters, increased cost of travel or industrial action. These events may be localised to a particular country, region or could have a wider international perspective. Reduced demand will impact on revenue and operational profitability;
- timing and costs associated with asset enhancement works;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances, labour laws and the related costs of compliance with laws and regulations, fiscal policies and ordinances;
- the nature and length of a typical guest's stay – some guests typically stay on a short-term basis and there is no assurance of long-term occupancy for hotel rooms;
- difficulties in identifying hospitality and hospitality-related assets to acquire and difficulties in completing and integrating acquisitions;
- increases in operating costs due to inflation, labour costs (including the impact of unionisation and increased competition for qualified personnel), workers' compensation and healthcare-related costs, maintenance costs, utility costs, insurance and unanticipated costs such as those resulting from acts of nature and their consequences; and
- changes in travel patterns resulting from increases in transportation or fuel costs, strikes among workers in the transportation industry and adverse weather patterns.

These factors could have adverse effects on the business, financial condition, results of operations and prospects of the Group.

The Group may not be able to successfully retain or compete for management agreements and as a result, it may not be able to achieve its planned growth

Part of the Group's hospitality business is based on management contracts for properties which it does not own or in which the Group has a partial effective ownership interest. Termination of the Group's management contracts prior to their expiration, or removal as manager in accordance with the terms of the management contracts or applicable law, or inability to renew management contracts on terms that are commercially reasonable to it could have adverse effects on the business, financial condition, results of operations and prospects of the Group.

Further, the Group's hospitality growth strategy includes signing additional management agreements. The Group believes that its ability to compete for management agreements primarily depends on its brand recognition and reputation, the results of its overall operations and the success of the serviced residences that it currently manages. The terms of any new management agreements that the Group obtains also depend on the terms that its competitors offer for those agreements. If the serviced residences that the Group manages perform less successfully than those of its competitors, if it is unable to offer terms as favourable as those offered by its competitors or if the availability of suitable properties is limited, the Group may not be able to compete effectively for new management agreements. As a result, it may not be able to achieve its planned growth and the business, financial condition, results of operations and prospects of the Group may be adversely affected.

The Group's management business would be adversely affected if the performance of FCT, FCOT, FHT (comprising FH-REIT and FH-BT) or FLT deteriorates

The Group currently manages three listed REITs, FCT, FCOT and FLT, and one listed stapled trust, FHT (comprising FH-REIT and FH-BT).

The Group's fees from the management of each of the REITs comprise, *inter alia*, (i) REIT management fees which comprise a base component based on a percentage of the deposited property of the REITs, and a variable performance component based on the REIT's net property income, (ii) property management fees which are generally based on the gross revenue and net property income of the property and (iii) acquisition and divestment fees, which are based on the acquisition or sale price of any property purchased or sold by the REIT.

The Group's fees from the management of FH-BT comprises, *inter alia*, (a) a management fee which comprises a base component based on a percentage of the value of the properties held by FH-BT and a variable performance fee based on the distributable income of FHT, (b) a trustee fee based on a percentage of the value of the properties held by FH-BT, subject to a specified minimum fee per month provided that the value of the properties held by FH-BT exceeds a specified threshold amount, and (c) acquisition and divestment fees, which are based on the acquisition or sale price of any property purchased or sold by FH-BT.

A decrease in the values of the properties held by the REITs and/or FH-BT or the gross revenue and net property incomes of the REITs and/or FH-BT would result in a corresponding decrease in their fees. Any condition which might have a material adverse effect on the REITs' and/or FH-BT's operating performance and financial condition, or termination of the Group's management services by any or all of the REITs and FH-BT, could materially reduce its revenue derived from managing the REITs.

The Group's existing contracts for the provision of management services for the REITs and FH-BT are for an indefinite period of time unless the Group resigns or is removed as manager. The Group may be removed as manager of a REIT by the trustee of the relevant REIT, typically in the event of a resolution passed by a majority of the votes cast by unitholders of the REIT, present and voting, or in the event the Group fails to perform any of its material obligations under the trust deed constituting the REIT. The Group may also be removed as trustee-manager of FH-BT, typically in the event of a resolution passed by at least 75 per cent. of the votes cast by the unitholders of FH-BT, present and voting. In the event that the Group's management or project management services are terminated prior to the expiry of the management contract, or the Group is removed as manager in accordance with the terms of the management contracts, or applicable law, or the Group is unable to renew contracts that have expired, and on terms that are commercially reasonable to the Group, this would adversely affect the Group's business, financial condition, results of operations and prospects.

The Group may be unable to adequately protect its intellectual property rights or may face intellectual property claims that may be costly to resolve

The Group relies on a combination of trademarks and servicemarks. Its corporate identity and branding has been developed and is associated with these marks. There can be no assurance that the steps the Group takes in this regard will adequately protect its intellectual property rights.

Third parties or persons may challenge the Group's exclusive rights to use its brand names and logos and the Group could incur substantial costs in defending any claims relating to its intellectual property rights. Issues relating to intellectual property rights can be complicated and there can be no assurance that disputes will not arise. Any disputes which are not resolved may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group is subject to third-party litigation risk

In the course of the Group's business, it may be involved, from time to time, in disputes with various parties including parties involved in the property development projects it undertakes (such as contractors, sub-contractors, suppliers, construction companies, purchasers and other partners), visitors, contractors and tenants of its properties, and investors of the REITs it manages.

There is no assurance that the Group will be able to successfully defend such claims. It could incur costs, and its time and management resources may be diverted towards defending such claims. In the event that the Group is unable to successfully defend itself and sufficiently claim from its insurance proceeds and/or indemnities, the Group's business, financial condition, results of operations and prospects may be adversely affected.

The Group's revenue earned from the rental of its retail, commercial, logistics, industrial and hospitality properties may be adversely affected by a number of factors

The Group's revenue earned from the rental of its retail, commercial, industrial and hospitality properties may be adversely affected by a number of factors, including:

- a general downturn of the economy affecting occupancy and rental rates;
- the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, changes in market rental rates and operating expenses for its properties);
- competition for occupants from other properties which may affect rental levels or occupancy levels at its properties;
- timing and costs associated with asset enhancement works;
- an increase in consumer purchases through catalogues or the internet and reduction in the demand to occupy its retail properties as a result;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes, government charges and environmental issues, which may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance;
- legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment, which may affect or restrict rights related to the relevant properties; and
- acts of God, wars, terrorist attacks, riots, civil commotions and other events beyond the control of the Group (such as the spread of severe acute respiratory syndrome or other communicable diseases).

The Group is subject to the credit risk of non-payment by its tenants or the risk of non-renewal, non-replacement or early termination of leases

The Group is subject to a potential volatility in its earnings if its tenants fail to fulfil their contract lease payment obligations as and when they fall due. Further, if a substantial number of tenants in its properties do not renew their leases at the end of a lease cycle or a significant number of early terminations occur, and replacement tenants cannot be found in a timely manner and on terms acceptable to the Group, there is likely to be a material adverse effect on its developments, which could materially and adversely affect the business, financial condition, results of operations and prospects of the Group.

The Group may encounter difficulties in completing or integrating acquisitions which could adversely affect the Group's operating results

Given the Group's strategic objective of growing profit contributions from outside of Singapore, the Group may make acquisitions of assets and businesses from time to time. The Group may face potential challenges to such acquisitions such as:

- paying an excessive price for the acquisitions;
- incurring higher than expected acquisition costs;
- facing difficulty in integrating acquired businesses and operations into the Group's structure;
- facing difficulty in maintaining favourable business relationships of acquired operations;
- restructuring and/or terminating unfavourable business relationships;
- encountering unforeseen liabilities of the acquisition of the businesses;
- failing to realise the benefits from goodwill and intangible assets resulting from the acquisitions which may result in write-downs; and
- failing to achieve anticipated business volumes.

Any of these factors could prevent the Group from realising the anticipated benefits of its acquisitions, including additional revenue, operational synergies and economies of scale. The Group's failure to realise the anticipated benefits of acquisitions could adversely affect its business, financial condition, results of operations and prospects.

The Group could incur significant costs related to environmental matters

The Group may be subject to various laws and regulations in the countries where it operates relating to the protection of the environment that may require a current or previous owner of real estate to investigate and clean up hazardous or toxic substances on a property. For example, owners and operators of real estate may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. The Group has not provided for such potential obligations in its consolidated financial statements.

Environmental laws may also impose compliance obligations on owners and operators of properties with respect to the management of hazardous substances and other regulated materials. Failure to comply with these laws can result in penalties or other sanctions.

Existing environmental reports with respect to any of the Group's properties may not reveal:

- all environmental liabilities;

- whether owners or operators of the properties had created any material environmental condition not known to the Group; or
- whether a material environmental condition exists in any one or more of the properties.

There also exists the risk that material environmental conditions, liabilities or compliance concerns may arise after the review is completed. Finally, future laws, ordinances or regulations and future interpretations of existing laws, ordinances or regulations may impose additional material environmental liability. The Group may be subject to liabilities or penalties relating to environmental matters which could adversely affect the Group's businesses, financial condition and results of operations.

RISKS RELATING TO THE GUARANTOR'S CONTROLLING SHAREHOLDERS

The Guarantor's controlling shareholders will be able to exercise substantial control over the Guarantor

As at the Latest Practicable Date, InterBev Investment Limited and TCC Assets Limited directly hold an aggregate of approximately 87.5 per cent. of the Guarantor's issued and outstanding shares. By virtue of their shareholding in the Guarantor, InterBev Investment Limited and TCC Assets Limited will have the ability to indirectly exercise control over the Guarantor and its affairs and business, including the election of directors, the timing and payment of dividends, the adoption of amendments to the Guarantor's articles of association, the approval of a merger or sale of substantially all of the Guarantor's assets and the approval of most other actions requiring the approval of the shareholders of the Guarantor.

There may be potential conflicts of interests between the Group and the TCC Group

The Group is a full-fledged international real estate company with four core business focused on residential commercial and industrial properties in the key markets of Singapore, Australia and China, and in the hospitality business spanning more than 80 cities worldwide.

The TCC Group is among the largest conglomerates in Southeast Asia and is engaged in a variety of businesses including real estate. The TCC Group invests in and develops a wide range of real estate projects globally, including hotels, office towers, retail centres, residences, serviced apartments, convention centres, golf courses and resorts.

There may be potential conflicts of interests between the Group and the TCC Group. There can be no assurance that conflict of interests will not arise between the Group and the TCC Group in the future whether in relation to the future acquisition of properties or in relation to the competition for tenants/customers.

RISKS RELATING TO THE SECURITIES ISSUED UNDER THE PROGRAMME

The Securities may not be a suitable investment for all investors

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Securities, the merits and risks of investing in the relevant Securities and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing Supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including where principal, interest or distribution is payable in one or more currencies, or where the currency for principal, interest or distribution payments is different from the potential investor's currency;

- (iv) understand thoroughly the terms of the relevant Securities and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

Additionally, 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 consult its legal advisers to determine whether and to what extent (1) the Securities are legal investments for it, (2) the Securities can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Securities under any applicable risk-based capital or similar rules.

Modification and waivers

The Conditions contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority. The Trustee upon the request in writing by Securityholders holding not less than 10 per cent. of the principal amount of the Securities 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 Securityholders of that Series. However, the Trustee shall not be bound to take any proceedings against the Issuer unless (a) it shall have been so directed by an Extraordinary Resolution of the Securityholders of such Securities or so requested in writing by Securityholders holding not less than 25 per cent. in principal amount of such Securities outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Securityholders to its satisfaction.

The Conditions also provide that the Trustee may (but is not obliged to) agree, without the consent of the Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or the Note (AMTN) Deed Poll 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 any mandatory provision of law or as required by Euroclear and/or Clearstream, Luxembourg, CDP and/or any other clearing system in or through which the Securities may be held, and (ii) any other modification (except as mentioned in the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll) which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement or the Conditions which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the Issuer to the Securityholders as soon as practicable.

Singapore taxation

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2018 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section "Taxation - Singapore Taxation". However, there is no assurance that such Notes will continue to enjoy the tax concessions for "qualifying debt securities" should the relevant tax laws be amended or revoked at any time.

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 (1) Securities are legal investments for the potential investor, (2) Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

A change in the law which governs the Securities may adversely affect Securityholders

The Conditions of the Securities (other than the terms and conditions for AMTNs) will be governed by English law (save for the provisions relating to Subordinated Perpetual Securities in Condition 3(b) of the Perpetual Securities which shall be governed by and construed in accordance with the Singapore law) or Singapore law (as specified in the applicable Pricing Supplement), in the case of Retail Notes, Singapore law and, in the case of AMTNs, the law of New South Wales, Australia. No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law or Australian law or administrative practice after the date of the date of issue of the relevant Tranche of Securities.

The provisions of the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures may change

The provisions of the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures may change or may be repealed altogether. New provisions may also be introduced to these Regulations and which may not be favourable to the Issuer or the Guarantor. As a result of any such change, there is no assurance that the Seasoning Notes will be successfully seasoned or that the Issuer or the Guarantor would satisfy the Exemption Regulations for Post-Seasoning Debentures.

In addition, as at the date of this Offering Circular, the Issuer and (pursuant to Regulation 5(2) of the Exemption Regulations for Straight Debentures and Regulation 5(2) of the Exemption Regulations for Post-Seasoning Debentures) the Guarantor do not satisfy the requirements set out in Regulation 5(1) of the Exemption Regulations for Straight Debentures and Regulation 5(1) of the Exemption Regulations for Post-Seasoning Debentures and no issue and offering of Retail Notes may be made in reliance thereof. There is also no assurance that the Issuer or the Guarantor would satisfy the Exemption Regulations for Straight Debentures and the Exemption Regulations for Post-Seasoning Debentures at any time in the future as a result of any such change in provisions.

The Guarantee provided by the Guarantor will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit its validity and enforceability

The Guarantee given by the Guarantor provides holders of Securities with a direct claim against the Guarantor in respect of the Issuer's obligations under the Securities. Enforcement of the Guarantee would be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit (*ultra vires*), fraudulent conveyance or transfer (*action pauliana*), voidable preference, financial assistance, corporate purpose, liability in tort, subordination and capital maintenance or similar laws and concepts. They may also include regulations or defences which affect the rights of creditors generally.

If a court were to find the Guarantee given by the Guarantor, or a portion thereof, void or unenforceable as a result of such local laws or defence, or to the extent that agreed limitations on guarantees apply, holders would cease to have any claim in respect of the Guarantor and would be creditors solely of the Issuer and, if payment had already been made under the Guarantee, the court could require that the recipient return the payment to the Guarantor.

Performance of contractual obligations

The ability of the Issuer to make payments in respect of the Securities may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Issuing and Paying Agent, the CDP Paying Agent, a Transfer Agent, the relevant Registrar and/or the Calculation Agent 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 Securities, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Securityholders and the Couponholders.

The Securities may be represented by Global Securities or Global Certificates and holders of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System(s)

Securities (other than AMTNs) issued under the Programme may be represented by one or more Global Securities or Global Certificates. Such Global Securities will be deposited with a common depository for Euroclear and Clearstream, Luxembourg or the CDP (each of Euroclear, Clearstream, Luxembourg and CDP, a “**Clearing System**”). Except in the circumstances described in the relevant Global Security or Global Certificate, investors will not be entitled to receive definitive Securities or Certificates. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Securities or Global Certificates. While the Securities are represented by one or more Global Securities or Global Certificates, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Securities (other than AMTNs) are represented by one or more Global Securities or Global Certificates, the Issuer or, as the case may be, the Guarantor, will discharge its payment obligations under the Securities by making payments to or to the order of the relevant Clearing System for distribution to their account holders.

A holder of a beneficial interest in a Global Security or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Securities. None of the Issuer, the Guarantor or the Trustee has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Securities or Global Certificates (as the case may be).

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

Where the AMTNs are lodged with the Austraclear System, investors will have to rely on the procedures of Austraclear for transfer, payment and communication with the Issuer

AMTNs will be issued in registered certificated form. Each Tranche of AMTNs will be represented by an AMTN Certificate. Each AMTN Certificate is a certificate representing the AMTNs of a particular Tranche and will be substantially in the form set out in the Note (AMTN) Deed Poll, duly completed and signed by the Issuer and authenticated by the Registrar in respect of AMTNs. An AMTN Certificate is not a negotiable instrument nor is it a document of title. Title to any AMTNs the subject of an AMTN Certificate is evidenced by entry in the Register and, in the event of a conflict, the Register shall prevail (subject to correction for fraud or proven error).

The Issuer may procure that the AMTNs are lodged with the Austraclear System. On lodgement, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the rules and regulations known as the “Austraclear System Regulations” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System (“**Accountholders**”) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions

and instructions of the Accountholders. Investors in AMTNs who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by the Issuer in respect of AMTNs lodged with the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Where the AMTNs are lodged with the Austraclear System, any transfer of AMTNs will be subject to the Austraclear System Regulations. Secondary market sales of AMTNs cleared through the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such Securities and will have no claim directly against the Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTN that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Securityholders should be aware that definitive Securities 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 Securities which have a denomination consisting of a minimum Denomination Amount (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Securities 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 Securityholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount will not receive a definitive Security or Certificate in respect of such holding (should definitive Securities or Certificates be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more Denomination Amounts. If definitive Securities or Certificates are issued, holders should be aware that definitive Securities 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 Securities will in no circumstances be issued to any person holding Securities in an amount lower than the minimum denomination and such Securities 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 Securityholders) in respect of such Securities.

The Issuer is a special purpose company with no business activities of its own and will be dependent on funds from the Group to make payments under the Securities

The Issuer was established by the Group specifically for the purpose of issuing Securities under the Programme and will on-lend the entire proceeds from the issue of the Securities to the Guarantor and/or other members of the Group. The Issuer does not and will not have any assets other than such loan receivables and its ability to make payments under the Securities will depend on its receipt of timely payments under such loan agreement or other financing arrangements with the Guarantor and/or other members of the Group.

The Issuer may be unable to pay interest on, or redeem, the Securities

On certain dates, including the occurrence of any early redemption event specified in the relevant Pricing Supplement or otherwise and at maturity of the Securities, the Issuer may, and at maturity, will, be required to pay interest or, as the case may be, distribution on, or redeem, all of the Securities. If such an event were to occur, the Issuer may not have sufficient cash on hand (whether due to a serious decline in net operating cash flows or otherwise) and may not be able to arrange financing to make such payment or redeem the Securities in time, or on acceptable terms, or at all. The ability to make interest or distribution payments or redeem the Securities in such event may also be limited by the terms of other debt instruments. Failure to pay interest or distribution on the Securities or to repay, repurchase or redeem tendered Securities by the Issuer would constitute an event of default under the Securities, which may also constitute a default under the terms of other indebtedness of the Group.

The Trustee (including the Trustee for Retail Notes) may request that the Securityholders provide an indemnity and/or security and/or prefunding to its satisfaction

In certain circumstances (including without limitation the giving of notice to the Issuer and the Guarantor pursuant to Condition 10 of the Notes and the taking of enforcement steps pursuant to Condition 11 of the Notes or, as the case may be, Condition 9(c) of the Perpetual Securities), the Trustee (including the Trustee for Retail Notes) may (at its sole discretion) request the Securityholders to provide an indemnity and/or security, and/or prefunding to its satisfaction before it takes actions on behalf of Securityholders. The Trustee shall not be obliged to take any such actions if not first indemnified and/or secured and/or prefunded to its satisfaction nor shall it be responsible for any loss or liability incurred by any person as a result of any delay in exercising such power or not taking any such action. Negotiating and agreeing to any indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions notwithstanding the provision of an indemnity or security or prefunding to it in breach of the terms of the Trust Deed constituting the Securities and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Securityholders to take such actions directly.

RISKS RELATING TO THE PERPETUAL SECURITIES ISSUED UNDER THE PROGRAMME

Perpetual Securities may be issued for which investors have no right to require redemption

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

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

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

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

The Perpetual Securities are perpetual securities and have no fixed final redemption date. If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at the option of the Issuer on certain date(s) specified in the relevant Pricing Supplement at their principal amount (or such other redemption amount stated in the relevant Pricing Supplement) together with all outstanding Arrears of Distribution, Additional Distribution Amounts and distribution accrued to the date fixed for redemption.

In addition, if specified on the relevant Pricing Supplement, the Issuer may, at its option, redeem the Perpetual Securities in whole, but not in part, on any Distribution Payment Date, or any time after such Distribution Payment Date, upon the occurrence of certain other events. See “Terms and Conditions of the Perpetual Securities – Redemption and Purchase”.

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

There are limited remedies for default under the Perpetual Securities and the Guarantee

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

The Issuer may raise or redeem other capital which affects the price of the Perpetual Securities

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

The Subordinated Perpetual Securities and the Subordinated Guarantee are subordinated obligations

The obligations of the Issuer under the Subordinated Perpetual Securities, and the Guarantor under the Subordinated Guarantee, will constitute unsecured and subordinated obligations of the Issuer and the Guarantor respectively. In the event of the winding-up of the Issuer or the Guarantor, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities or the Subordinated Guarantee will rank senior to the holders of all Junior Obligations and *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of doubt, the holders of Senior Perpetual Securities and/or Notes. In the event of a shortfall of funds or a winding-up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts or accrued distribution.

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

Perpetual Securityholders may be subject to Singapore taxation

There is no certainty that any particular tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) will be regarded as debt securities by the Inland Revenue Authority of Singapore (the “**IRAS**”) for Singapore income tax purposes and that the tax concessions available for “qualifying debt securities” under the “qualifying debt securities” scheme (as set out in the section “Taxation - Singapore Taxation”) would apply to the Relevant Tranche of the Perpetual Securities. Even if the aforesaid tax concessions are applicable to the Relevant Tranche of the Perpetual Securities, there is no assurance that the conditions for “qualifying debt securities” will be met or that such Relevant Tranche of the Perpetual Securities will continue to enjoy the tax concessions granted to “qualifying debt securities” should the relevant tax laws be amended or revoked at any time.

In the event that the IRAS does not regard the Relevant Tranche of the Perpetual Securities to be debt securities for Singapore income tax purposes, holders thereof would not be eligible for the tax concessions under the “qualifying debt securities” scheme and the tax treatment to holders may differ.

No assurance, warranty or guarantee is given on the tax treatment to holders of the Perpetual Securities in respect of the Distributions (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) payable to them. Potential Perpetual Securityholders are thus advised to consult their own professional advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Perpetual Securities.

For further details on the tax treatment of the Perpetual Securities, see “Taxation - Singapore Taxation”.

RISKS RELATING TO THE STRUCTURE OF A PARTICULAR ISSUE OF SECURITIES

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Securities subject to optional redemption by the Issuer may have a lower market value than Securities that cannot be redeemed

In the case of non-Singapore dollar Securities, unless in the case of any particular Tranche of Securities the relevant Pricing Supplement specifies otherwise, in the event that the Issuer or the Guarantor would be obliged to increase the amounts payable in respect of any Securities due to any withholding or deduction 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 on behalf of Singapore or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Securities in accordance with the Conditions.

An optional redemption feature is likely to limit the market value of Securities. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Securities 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.

Inverse Floating Rate Securities are typically more volatile than conventional floating rate debt

Inverse Floating Rate Securities have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London Interbank Offered Rate (“**LIBOR**”). The market values of such Securities typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Securities are more volatile because an increase in the reference rate not only decreases the interest rate of the Securities, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Securities.

Securities carrying an interest rate which may be converted from fixed to floating interest rates and vice-versa, may have lower market values than other Securities

Fixed/Floating Rate Securities may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Securities since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Securities may be less favourable than then prevailing spreads on comparable Floating Rate Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Securities. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Securities.

The market prices of Securities issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities

The market values of Securities issued at a substantial discount or premium to their nominal 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.

RISKS RELATING TO THE MARKET GENERALLY

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Securities issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity

Securities issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Securities which is already issued). If the Securities 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 and/or the Guarantor. If the Securities are trading at a discount, investors may not be able to receive a favourable price for their Securities, and in some circumstances investors may not be able to sell their Securities at all or at their fair market value. Although an application has been made for the Securities issued under the Programme to be admitted to listing on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Securities will be so admitted or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Securities 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 Securities.

Notes offered under the Seasoning Framework may be seasoned for trading by Retail Investors on the Main Board of the SGX-ST after the Seasoning Period. There is no assurance that the Notes will be successfully seasoned or that the Issuer or the Guarantor will satisfy the exemptions under the Exemption Regulations for Post-Seasoning Debentures for that purpose or that successful seasoning of the Notes will result in increased trading liquidity in such Notes.

Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected

The Issuer will pay principal and interest on the Securities in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency 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 Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Securities, (2) the Investor's Currency equivalent value of the principal payable on the Securities and (3) the Investor's Currency equivalent market value of the Securities.

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, investors may receive less interest or principal than expected, or no interest or principal.

Changes in market interest rates may adversely affect the value of Fixed Rate Securities

Investment in Fixed Rate Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Securities.

The credit ratings assigned to the Securities may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Securities. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Interest rate risk

Securityholders 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 Securities, resulting in a capital loss for the Securityholders. However, the Securityholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Securities may rise. The Securityholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation risk

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

The Issuer and other non-U.S. financial institutions through which payments on the Securities are made may be required to make withholdings pursuant to U.S. foreign account tax compliance provisions

Pursuant to the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 ("FATCA"), the Issuer and other non-U.S. financial institutions through which payments on the Securities are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2018 in respect of (i) any Securities issued or materially modified on or after the later of (a) 1 July 2014, and (b) the date that is six months after the date on which the final regulations applicable to "foreign passthru payments" are filed in the Federal Register and (ii) any Securities which are treated as equity for U.S. federal tax purposes, whenever issued. Under existing guidance, this withholding tax may be triggered on payments on the Securities if (i) the Issuer is a foreign financial institution ("FFI") (as defined in FATCA) which enters into and complies with an agreement with the U.S. Internal Revenue Service to provide certain information on its account holders (making the Issuer a "Participating FFI"), (ii) the Issuer is required to withhold on "foreign passthru payments", and (iii)(a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is subject to withholding under FATCA, or (b) any FFI to or through which payment on such Securities is made is not a Participating FFI or otherwise exempt from FATCA withholding.

Singapore and the United States have signed a FATCA Model 1 Intergovernmental Agreement on 9 December 2014 to help implement FATCA for certain Singaporean entities. The full impact of such an agreement on the Issuer and its reporting and withholding responsibilities under FATCA is unclear. The Issuer is required to report certain information on its U.S. accountholders to the government of Singapore in order (i) to obtain an exemption from FATCA withholding on payments it receives and/or (ii) to comply with any applicable Singaporean law. It is not yet certain how the United States and Singapore will address withholding on “foreign passthru payments” (which may include payments on the Securities) or if such withholding will be required at all.

If an amount in respect of U.S. and Singapore withholding tax were to be deducted or withheld from interest, principal or other payments on the Securities as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes or the Terms and Conditions of the Perpetual Securities be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Holders of the Securities should consult their own tax advisers on how these rules may apply to payments they receive under the Securities.

The application of FATCA to Securities issued or materially modified on or after the later of (a) the date that is six months after the date on which the final regulations applicable to “foreign passthru payments” are filed in the Federal Register and (b) 1 July 2014 (or whenever issued, in the case of Securities treated as equity for U.S. federal tax purposes) may be addressed in a supplement to this Offering Circular, as applicable.

TERMS AND CONDITIONS OF THE NOTES

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

The Notes are issued by FCL Treasury Pte. Ltd. (the “**Issuer**”) pursuant to the Trust Deed (as defined below) or the Note (AMTN) Deed Poll (as defined below), as the case may be, and will be guaranteed by Frasers Centrepoint Limited (the “**Guarantor**”).

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer (“**AMTNs**”)) are constituted by a trust deed dated 16 January 2017 (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) made between (1) the Issuer, (2) the Guarantor and (3) The Bank of New York Mellon, London 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)]³, as trustee for the Securityholders (as defined below) as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date) dated 16 January 2017 between the same parties [and the Singapore Retail Supplemental Trust Deed (as amended and supplemented as at the Issue Date) dated [●] made between (1) the Issuer, (2) the Guarantor and (3) [the Retail Trustee] (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)]⁴ as trustee for the Securityholders. AMTNs will be constituted by the Deed Poll dated 16 January 2017 executed by each of the Issuer and the Guarantor (as amended and supplemented from time to time, the “**Note (AMTN) Deed Poll**”) in favour of the Trustee and the holders of the AMTNs. The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs.

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 and (in respect of AMTNs) the Note (AMTN) Deed Poll. [The Issuer and the Guarantor have entered into an agency agreement dated 16 January 2017 made between (1) the Issuer, (2) the Guarantor, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”) and (where appointed as contemplated therein) as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Notes cleared through CDP (the “**CDP Paying Agent**”) and, together with the Issuing and Paying Agent and any other paying agents (including the Australian Agent (as defined below)) that may be appointed, the “**Paying Agents**”), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Notes cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Notes cleared through CDP (each a “**Transfer Agent**”) and, together with the Australian Agent and any other transfer agents that may be appointed, the “**Transfer Agents**”), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Notes cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Notes cleared through CDP (each in such capacity, a “**Registrar**”) and (7) the Trustee, as trustee in relation to the Notes (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”).]³ [The Issuer, the Guarantor, [the Retail Agent] as CDP paying agent (in such capacity, the “**CDP Paying Agent**”, and all references to the “**Issuing and Paying Agent**” shall, with

respect to Notes cleared through CDP, be deemed to be references to the CDP Paying Agent to the extent necessary to enable the CDP Paying Agent to fully observe and perform its obligations and (unless the context requires otherwise) all such references shall be construed accordingly), calculation agent (in such capacity, the “**Calculation Agent**”), CDP transfer agent (the “**Transfer Agent**” and, together with any other transfer agents that may be appointed the “**Transfer Agents**”), and CDP registrar (in such capacity, the “**Registrar**”) and the Trustee have entered into a retail agency agreement dated [●] in relation to the Notes (as amended or supplemented from time to time, the “**Agency Agreement**”).⁴ The Issuer, the Guarantor and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the “**Australian Agent**”) have entered into an agency and registry services agreement (as amended or supplemented from time to time, the “**Australian Agency Agreement**”) dated 16 January 2017 in relation to the AMTNs. The Securityholders 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 these Conditions, all the provisions of the Trust Deed, the applicable Pricing Supplement and (in respect of the AMTN holders only) the Note (AMTN) Deed Poll, and are deemed to have notice of those provisions applicable to them of the Agency Agreement or the Australian Agency Agreement, as the case may be. The Trustee acts for the benefit of the Securityholders (as defined below).

Although AMTNs will not be constituted by the Trust Deed, AMTNs will have the benefit of certain other provisions of the Trust Deed.

Copies of the Trust Deed, the Agency Agreement, the Note (AMTN) Deed Poll and the Australian Agency Agreement are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being. The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 35 Clarence Street, Sydney NSW 2000, Australia).

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 thereon or on the Certificates or, in the case of AMTNs, the AMTN Certificates (as defined in Condition 1(b)(vi)).]³

[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 thereon or on the Certificates. The Issuer may, without the consent of the Trustee, the Noteholders or Couponholders, at any time after any issue of the Notes, (i) reduce the Denomination Amount of such Notes into smaller divisible amounts and/or (ii) remove or reduce the minimum denomination requirement (if any) in respect of such Notes; and notwithstanding Condition 12 and Clause 16 of the Trust Deed and all other provisions in these Conditions and the Trust Deed, the Issuer may, without the consent of the Trustee, the Noteholders or Couponholders, make any and all modifications to these Conditions and the Trust Deed it deems necessary or appropriate to implement the foregoing and the Trustee shall, upon request of the Issuer, consent to all such modifications. Any such reduction, removal or modification shall be binding on all Noteholders and all Couponholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable.

Following re-denomination, the determination of interest payable and the relevant payment procedures shall be deemed to be amended (to the extent necessary) so as to be consistent with the administrative procedures and other relevant provisions relating to the making of payments under the CDP (as defined below).

Subject to the right of the Issuer to re-denominate and/or remove the minimum denomination in Condition 1(a)(i), Notes (except for Notes which are intended to be “seasoned debentures” (as defined in the Securities and Futures (Offers of Investments) (Exemption for Offers of Post-Seasoning Debentures) Regulations 2016 (the “**Exemption Regulations for Post-Seasoning Debentures**”)) or (where applicable) intended to be offered pursuant to the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016 (the “**Exemption Regulations for Straight Debentures**”) will be (unless otherwise specified in the relevant Pricing Supplement) issued in minimum denominations of S\$200,000 (or its equivalent in another currency) and integral multiples of S\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Such Notes which are listed on SGX-ST (as defined below) will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

If seasoned for retail trading, after the seasoning period (as defined in the Exemption Regulations for Post-Seasoning Debentures), such Notes will (unless otherwise specified in the relevant Pricing Supplement and without the consent of the Trustee, the Noteholders or Couponholders) be re-denominated to denominations of S\$1,000 (or its equivalent in another currency), subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Such Notes will then be traded on the SGX-ST in a board lot size of S\$1,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

Where applicable, Notes which are offered pursuant to the Exemption Regulations for Straight Debentures will be (unless otherwise specified in the relevant Pricing Supplement) issued in denominations of S\$1,000 (or its equivalent in another currency), subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Such Notes will be listed and traded on the SGX-ST in a board lot size of S\$1,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.]⁴

- (ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note, a Zero Coupon Note, a combination of any of the foregoing or any other type of Note (depending upon the Interest Basis shown on its face) and this Note may be a Credit Linked Note or any other type of Note (depending upon the Redemption/Payment 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 Zero Coupon Notes 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 (other than AMTNs) 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 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 or (in the case of AMTNs) the Australian Agent in accordance with the provisions of the Agency Agreement or (in the case of AMTNs) the Australian Agency Agreement respectively (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 shall 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 depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited ("**CDP**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, 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 Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, 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 "**Securityholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Security or, as the case may be, the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or CDP. For so long as any of the Notes is represented by a Global Security or a Global Certificate and such Global Security or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Note shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by CDP).
- (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 depository for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, "**Securityholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be) and "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be), "**Series**" means (A) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (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.
- (vi) In the case of AMTNs, the following provisions shall apply in lieu of the foregoing provisions of Condition 1 in the event of any inconsistency.

AMTNs will be debt obligations of the Issuer owing under the Note (AMTN) Deed Poll, will be represented by a certificate ("**AMTN Certificate**") and will take the form of entries in a Register to be established and maintained by the Australian Agent in Sydney unless otherwise agreed with the Australian Agent (pursuant to the Australian Agency Agreement). The Agency Agreement is not applicable to the AMTNs.

AMTNs will not be serially numbered. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant Securityholder of the indebtedness of the Issuer to the relevant Securityholder. The obligations of the Issuer in respect of each AMTN constitute separate and independent obligations which the Securityholder is entitled to enforce in accordance with these Conditions, the Trust Deed and the Note (AMTN) Deed Poll. Other than an AMTN Certificate, no certificate or other evidence of title will be issued by or on behalf of the Issuer unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

No AMTN will be registered in the name of more than four persons. AMTNs registered in the name of more than one person are held by those persons as joint tenants. AMTNs will be registered by name only, without reference to any trust or third party interest (equitable or otherwise) of any person and an entry in the Register in relation to an AMTN constitutes conclusive evidence that the person so entered is the registered owner of such AMTN, subject to rectification for fraud or error.

Upon a person acquiring title to any AMTN by virtue of becoming registered as the owner of that AMTN, all rights and entitlements arising by virtue of the Note (AMTN) Deed Poll or the Trust Deed in respect of that AMTN vest absolutely in the registered owner of the AMTN, such that no other person including a person who has previously been registered as the owner of that AMTN has or is entitled to assert against the Issuer or the Australian Agent or the registered owner of the AMTN for the time being and from time to time any rights, benefits or entitlements in respect of the AMTN. Neither the Issuer nor the Australian Agent shall be obliged to recognise any trust (whether express, implied or constructive) or third party interest (equitable or otherwise) of any person. The Issuer and the Australian Agent are each entitled to rely on the correctness of all information contained in the Register and, provided it acts in good faith in doing so, neither is liable to any person for any error in it except, in the case of the Australian Agent, to the extent that the error is a result of its failure to comply with the Australian Agency Agreement.

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. The Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTN Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

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 (other than AMTNs):** This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Conditions 2(f) and 2(g) 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 Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes or AMTNs:** In the case of an exercise of the Issuer's or Securityholders' option in respect of, or a partial redemption of, a holding of Registered Notes or AMTNs, represented by a single Certificate or AMTN Certificate, as the case may be, a new Certificate or AMTN Certificate, as the case may be shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes or AMTNs of the same holding having different terms, separate Certificates or AMTN Certificates, as the case may be shall be issued in respect of those Notes of that holding that have the same terms. New Certificates or AMTN Certificates, as the case may be shall only be issued against surrender of the existing Certificates or AMTN Certificates, as the case may be to the Registrar or the Australian Agent, as the case may be, or any other Transfer Agent. In the case of a transfer of Registered Notes or AMTNs to a person who is already a holder of Registered Notes or AMTNs, a new Certificate or AMTN Certificate, as the case may be representing the enlarged holding shall only be issued against surrender of the Certificate or AMTN Certificate, as the case may be representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 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(c)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).

- (e) **Transfers of AMTNs:** AMTNs may be transferred in whole but not part. Unless lodged in the clearing system operated by Austraclear Ltd (“**Austraclear**”), the AMTNs will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent or by any other manner approved by the Issuer and the Australian Agent. The Issuer is not obliged to stamp transfer and acceptance forms. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor’s right to transfer the AMTNs and be signed by both the transferor and the transferee and delivered to the Australian Agent’s office. The Australian Agent may refuse to register a transfer and acceptance form if it contravenes or fails to comply with the Conditions or the transfer of Notes pursuant to that transfer and acceptance form would result in a contravention of any applicable law.

AMTNs may only be transferred within, to or from Australia if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A\$500,000 (or its equivalent in any other currency and, in either case, disregarding moneys lent by the transferor or its associates within the meaning given by sections 10 to 17 of the Australian Corporations Act (as defined below) or the offer or invitation giving rise to the transfer otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Australian Corporations Act**”), (ii) the transfer is not to a “retail client” for the purposes of section 761G of the Australian Corporations Act, (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, in the case of a transfer to or from Australia, the laws of the jurisdiction in which the transfer takes place), and (iv) in the case of a transfer between persons outside Australia, if a transfer and acceptance form is signed outside Australia. A transfer to an unincorporated association is not permitted. The Issuer is not liable to any Securityholders or other persons in relation to a breach by any Securityholder of this Condition 2(e).

A person becoming entitled in accordance with applicable laws to an AMTN as a consequence of the death or bankruptcy of a Securityholder or of a vesting order of a court or other judicial or quasi-judicial body or a person administering the estate of a Securityholder may, upon producing such evidence as to that entitlement or status as the Australian Agent considers sufficient, transfer such AMTN or, if so entitled, become registered as the holder of the AMTN.

Where the transferor executes a transfer of less than all of the AMTNs registered in its name, and the specific AMTNs to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the AMTNs registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate nominal amount of the AMTNs registered as having been transferred equals the aggregate nominal amount of the AMTNs expressed to be transferred in the transfer.

- (f) **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, the Australian Agent or the 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, the Australian Agent or the relevant Transfer Agent may require) in respect of tax or charges.
- (g) **Closed Periods:** No Securityholder 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(b), (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)).

- (h) **Austraclear - AMTNs:** If AMTNs are or will be lodged into the Austraclear System (as defined in Condition 7(i)):
- (i) the Issuer will not be responsible for any loss occasioned by the failure of the Austraclear System or the failure of any person (except the Issuer) to perform its obligations under the Austraclear System Regulations (as defined in Condition 7(i)) or otherwise;
 - (ii) the Australian Agent will enter Austraclear in the Register as the legal owner and Securityholder of the AMTNs;
 - (iii) the Issuer will be entitled to deal exclusively with Austraclear as legal owner of the Notes;
 - (iv) while the AMTNs remain in the Austraclear System:
 - (A) all payments and notices required of the Issuer in relation to AMTNs will be made or directed (as the case may be) to Austraclear in accordance with the Austraclear System Regulations;
 - (B) all dealings (including transfers and payments) in relation to interests in AMTNs within the Austraclear System will be governed by the Austraclear System Regulations and need not comply with the Note (AMTN) Deed Poll or the Conditions to the extent of any inconsistency; and
 - (C) any payment to or as required by Austraclear made by the Issuer operates as a complete discharge of the Issuer's liability to pay the relevant amount under the AMTNs and the Issuer has no obligation to see to the application of that amount by Austraclear or to verify the entitlement of any person to whom Austraclear requires the Issuer to make payment.
 - (v) If an AMTN is Withdrawn from the Austraclear System in accordance with the Austraclear System Regulations, such AMTN shall be a Withdrawn Note and the person in whose Security Record such AMTN appeared immediately before such AMTN was Withdrawn will be the holder of the resulting Withdrawn Note and the Australian Agent will record that person as the Securityholder in the Register (in this Condition 2(h)(v), "**Withdrawn**", "**Withdrawn Note**" and "**Security Record**" have the meaning given to them in the Austraclear System Regulations).

3 Status and Guarantee

(a) **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.

(b) **Guarantee**

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

4 Covenants

- (a) If Condition 4(a) is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon remains outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed or, in the case of AMTNs, in the Note (AMTN) Deed Poll), each of the Issuer and the Guarantor will not, and the Guarantor will procure that the Principal Subsidiaries (as defined below) will not, create or have outstanding any security (“**Subsequent Security**”) over any Existing Secured Assets (as defined below) which ranks, in point of priority, completely after the security created over such Existing Secured Asset, except for any security created or outstanding with the prior consent in writing of the Trustee or the Securityholders of the Notes by way of an Extraordinary Resolution.

In these Conditions, “**Existing Secured Asset**” means any of the undertaking, assets, property or revenues or rights to receive dividends of the Issuer, the Guarantor and/or the Principal Subsidiaries over which a first ranking security by way of an assignment and/or a charge and/or mortgage exists at the time of creation of the Subsequent Security over such undertaking, assets, property or revenues.

For the avoidance of doubt, nothing in this Condition 4(a) shall prohibit:

- (i) any new first ranking security to be created over any Existing Secured Asset (whether in connection with a refinancing or otherwise) provided that the security over such Existing Secured Asset is discharged contemporaneously with the creation of such new security; or
- (ii) any first ranking security over any units or shares in any company, trust or other entity which are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured.

Or

- (b) If Condition 4(b) is specified as applicable in the applicable Pricing Supplement, so long as any Note or Coupon issued under the applicable Pricing Supplement remains outstanding, as at the end of each financial year in respect of the Group (the “**Reference Date**”) based upon the amounts certified by two Authorised Signatories of the Guarantor to the Trustee no later than the Notification Date, the Guarantor shall ensure that:
- (i) the ratio of Consolidated Net Borrowings to Consolidated Tangible Net Worth does not exceed 1.5:1, provided however that an amount equal to any money borrowed and set aside as at the Reference Date in order to repay any portion of the Consolidated Net Borrowings shall be deducted from such Consolidated Net Borrowings as at the Reference Date;
 - (ii) if the test in (i) above is not met as at the end of any Reference Date, the Guarantor undertakes that such test in (i) above will be met as at the end of the next financial quarter immediately following the Notification Date, failing which, as at the end of the second financial quarter immediately following the Notification Date, in each case, based upon relevant amounts as at the end of the relevant quarter certified by two Authorised Signatories of the Guarantor to the Trustee no later than 45 days after the end of the relevant quarter; and
 - (iii) certificates delivered by two Authorised Signatories of the Guarantor in connection with this Condition 4(b) shall, in the absence of manifest error, be conclusive.
- (c) The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Securities of the Issuer remains outstanding, the Issuer will not, unless required by law, without the prior written consent of the Trustee or the prior approval of the Securityholders by way of an Extraordinary Resolution, undertake or participate in any re-organisation, amalgamation, reconstruction, merger or consolidation with any other company or person, or any other schemes of compromise or arrangement affecting its present constitution, in each case, which has a material adverse effect on it.

- (d) The Guarantor has covenanted with the Trustee in the Trust Deed that so long as any of the Securities of the Issuer remains outstanding, the Guarantor will not consolidate with, or merge or amalgamate into, another person, permit any person to merge with or into it or assign, sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions) or declare itself a trustee of all or substantially all of its assets for, any person (each a "**Transfer Event**"), unless:
- (i) the Guarantor will be the continuing or resulting person; or
 - (ii)
 - (1) the resulting, surviving or transferee person (the "**Successor Entity**" and where the Guarantor has declared itself a trustee as provided above, references to the Successor Entity below shall mean the Guarantor acting in its capacity as such trustee) shall be a person validly organised and existing under the laws of the jurisdiction of its incorporation and the Successor Entity shall expressly assume by a trust deed supplemental to the Trust Deed, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of the Guarantor under the Securities and the Trust Deed;
 - (2) the Successor Entity shall expressly agree by a trust deed supplemental to the Trust Deed, executed and delivered to the Trustee, in form satisfactory to the Trustee, that all payments in respect of the Securities and the Coupons 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 the jurisdiction of organisation or formation of such Successor Entity or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Successor Entity shall pay such additional amounts (the "**Successor Additional Amounts**") as will result in the receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, and provided that the Successor Entity shall not have the right to redeem the Securities pursuant to the provisions described under Condition 6(d) in respect of such Successor Additional Amounts unless (A) the obligation to pay such Successor Additional Amounts arises as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of the jurisdiction of organisation or formation of such Successor Entity or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the date such Successor Entity assumes the obligations of the Guarantor under the Trust Deed and the Securities; and (B) such obligations cannot be avoided by such Successor Entity 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 Successor Entity would be obliged to pay such additional amounts were a payment in respect of the Securities then due; provided, that, notwithstanding the foregoing, the Successor Entity shall not be required to expressly agree to the matters in this Condition 4(d)(ii)(2) if either (1) the Securities assumed by the Successor Entity or issued by the Successor Entity in exchange, substitution or otherwise for such Securities shall immediately following the consummation of such Transfer Event qualify as "qualifying debt securities" or (2) immediately following the consummation of such Transfer Event, the Securityholders shall continue to receive payments on such Securities in amounts equal to or greater than the amounts immediately prior to the consummation of such Transfer Event;

- (3) immediately after giving pro forma effect to such Transfer Event (and treating any indebtedness which becomes an obligation of the Successor Entity or any subsidiary of the Successor Entity as a result of such Transfer Event as having been incurred by such Successor Entity or such subsidiary of the Successor Entity at the time of such transaction), no Event of Default with respect to any of the Securities shall have occurred and be continuing;
- (4) at the time of such Transfer Event, the Guarantor shall have taken all reasonable measures to ensure that the Successor Entity would, as soon as practicable following the consummation of such Transfer Event, possess all material licences, permits and approvals required to conduct the Guarantor's business(es), and the Guarantor shall have no reason to believe that such Successor Entity shall not be able to conduct such business(es) following the consummation of such Transfer Event; and
- (5) the Guarantor shall have delivered to the Trustee a certificate signed by an Authorised Signatory of the Guarantor and a legal opinion in form and content acceptable to the Trustee from a legal adviser of recognised standing, each stating that such Transfer Event and such supplemental trust deed (if any) comply with this Condition 4(d).

In these Conditions:

- (i) **“Group”** means the Guarantor and its subsidiaries;
- (ii) **“Notification Date”** means the date falling 90 days from the Reference Date;
- (iii) **“Principal Subsidiaries”** means any subsidiary of the Guarantor whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 20 per cent. of the total assets of the Group as shown by such audited consolidated accounts, provided that if any such subsidiary (the **“transferor”**) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary of the Guarantor or to the Guarantor itself (the **“transferee”**) then:
 - (A) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Guarantor) shall thereupon become a Principal Subsidiary; and
 - (B) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Guarantor) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of (A) above or which remains or becomes a Principal Subsidiary by virtue of (B) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets of the relevant subsidiary as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries) or the date of issue of a report by the Auditors (as defined in the Trust Deed) described below (whichever is earlier), based upon which such audited consolidated accounts or, as the case may be, Auditor's report have been prepared, to be less than 20 per cent. of the total assets of the Group, as shown by such audited consolidated accounts or, as the case may be, Auditor's report. A report by the Auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive;

(iv) **“subsidiary”** means any company which is for the time being, a subsidiary (within the meaning of section 5 of the Companies Act, Chapter 50 of Singapore), and in relation to the Guarantor, means (1) (to the extent that such real estate investment trusts and/or business trusts are consolidated in the accounts of the Group in accordance with the Singapore Financial Reporting Standards) Frasers Centrepoint Trust, Frasers Commercial Trust, Frasers Hospitality Trust, Frasers Logistics & Industrial Trust and any other real estate investment trust or business trust sponsored by the Guarantor from time to time, and (2) any company, corporation, trust, fund or other entity (whether or not a body corporate):

(A) which is controlled, directly or indirectly, by the Guarantor; or

(B) more than half the interests of which are beneficially owned, directly or indirectly, by the Guarantor; or

(C) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (A) or (B) of this definition applies,

and for these purposes, any company, corporation, trust, fund or other entity (whether or not a body corporate) shall be treated as being controlled by the Guarantor if the Guarantor is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

(v) **“Consolidated Net Borrowings”** means in relation to the Group, an amount (expressed in Singapore Dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):

(A) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;

(B) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;

(C) the liabilities of the Issuer under the Trust Deed or the Notes;

(D) all other indebtedness whatsoever of the Group for borrowed moneys (save for, for the avoidance of doubt, any perpetual securities issued by any member of the Group which is regarded by generally accepted accounting principles in Singapore as equity of the Group);

(E) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group;

(F) deducting any amount reflected as cash and cash equivalents; and

(G) deducting any bank deposits, bank balances and certificates of deposit,

all (if applicable) as shown in the then latest audited consolidated balance sheet of the Group; and

(vi) **“Consolidated Tangible Net Worth”** means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

- (A) the amount paid up or credited as paid up on the issued share capital of the Guarantor;
- (B) the amounts standing to the credit of the capital and revenue reserves (including capital redemption reserve fund, revaluation reserves, profit and loss account) of the Group on a consolidated basis; and
- (C) any amount which is regarded by generally accepted accounting principles in Singapore as shareholders’ funds or equity of the Group,

all as shown in the then latest audited consolidated balance sheet of the Group but after:

- (1) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraphs (A) and (B) above of the Group since the date of the latest audited consolidated balance sheet of the Group;
- (2) excluding any sums set aside for future taxation; and
- (3) deducting:
 - (aa) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;
 - (bb) all goodwill and other intangible assets; and
 - (cc) any debit balances on consolidated profit and loss account.

5(l) **Interest on Fixed Rate Notes**

(a) **Interest Rate and Accrual**

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

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

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation of that Fixed Rate Note if it is a Bearer Note or, in the case of a Registered Note, the Certificate representing that Fixed Rate Note and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(l) to the Relevant Date (as defined in Condition 8).

(b) **Calculations**

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

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

(a) **Interest Payment Dates**

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(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 (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be) provided that the Agreed Yield (as defined in Condition 5(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (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 is herein called an “**Interest Period**”.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation of that Floating Rate Note if it is a Bearer Note or, in the case of a Registered Note, the Certificate representing that Floating Rate Note and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of the principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(II) to the Relevant Date.

(b) **Rate of Interest for Floating Rate Notes:** The Rate of Interest in respect of Floating Rate Notes for each Interest Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified hereon;
- (B) the Designated Maturity is a period specified hereon; and
- (C) the relevant Reset Date is the first day of that Interest Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SIBOR or SOR

(A) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (I) the offered quotation; or
- (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon;

- (B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin 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 Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

- (iii) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR
 - (A) Each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Note will be a SIBOR Note) or SOR (in which case such Note will be a Swap Rate Note) bears interest at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;
 - (B) The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 5(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:
 - (I) in the case of Floating Rate Notes which are SIBOR Notes:
 - (aa) 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 which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
 - (bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;
 - (cc) if on any Interest Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and
 - (dd) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant

authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date;

- (II) in the case of Floating Rate Notes which are Swap Rate Notes:
- (aa) 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" 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;
 - (bb) if on any Interest Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such 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 the nearest four decimal places)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select; and
 - (cc) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (bb) and (cc) above, the Rate of Interest shall be determined by such 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 Reference Banks or those of them (being at least two in number) to such 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, or if on such day one only or none of the Reference Banks provides such Calculation Agent 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 Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date.

- (iv) On the last day of each Interest Period, 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.
- (v) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

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

- (i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the “**Agreed Yield**” and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in this Condition 5(II)(c) as the “**Rate of Interest**”.
- (ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:
 - (1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the 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, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an “**Agreed Rate**”) 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 pursuant to the Agency Agreement that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
- (1) notify the Guarantor, the Issuing and Paying Agent and the 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 Securityholder at its request.
- (iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the “**Fall Back Rate**”) determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

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

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)(b) (*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 (as defined below) for such Variable Rate Note for such Interest Period on the last day of such Interest Period.
- (vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) **Definitions**

As used in these Conditions:

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

“**business day**” means:

- (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore; and

- (ii) (in the case of Notes denominated in a currency other than Singapore dollars), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks and foreign exchange markets are open for 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 on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual — ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) 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 Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30;

- (vii) if “**Actual/Actual — ICMA**” is specified in the applicable Pricing Supplement,
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s); and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

- (viii) if “**RBA Bond Basis**” is specified in the applicable Pricing Supplement, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“**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;

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as the same may be updated, amended or supplemented from time to time), unless otherwise specified hereon;

“**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 in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

“Reference Rate” means the rate specified as such hereon;

“Relevant Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated;

“Relevant Dealer” means, in respect of any Variable Rate Note, the Dealer party to the Dealer Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Dealer 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 Screen Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) 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

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

(III) **Interest on Hybrid Notes**

(a) **Interest Rate and Accrual**

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

(b) **Fixed Rate Period**

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

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

- (iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
 - (iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.
- (c) **Floating Rate Period**
- (i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date (“**Interest Payment Date**”). Such Interest Payment Date(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 (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.
 - (ii) In this Condition 5(III), the period beginning on (and including) the first day of the Floating Rate Period 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 is herein called an “**Interest Period**”.
 - (iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed or (in the case of AMTNs) the Note (AMTN) Deed Poll, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 5(III) to the Relevant Date.
 - (iv) The provisions of Condition 5(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) **Zero Coupon Notes**

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

(V) **Calculations**

(a) **Margin, Maximum/Minimum Rates of Interest and Rounding**

- (i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Interest Periods), an adjustment shall be made to all Rates of Interest, in the case of (A), or the Rates of Interest for the specified Interest Periods, in the case of (B), calculated in accordance with Condition 5(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Rate of Interest or Minimum Rate of Interest is specified hereon, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(b) **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, determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Floating Rate Note, Variable Rate Note or (where applicable) Hybrid 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. 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.

(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 Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. [In the case of Floating Rate Notes, if so required by the Issuer, the Calculation 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 Securityholders in accordance with Condition 16 as soon as possible after their determination.]³ The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest

Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 10, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

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

In the case of Notes other than AMTNs, if the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee may, but shall not be obliged to, do so or otherwise procure the determination or calculation of such Rate of Interest or Interest Amount. If it does so, the Trustee or such agent shall apply the provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its sole 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 and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

(e) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be 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 will 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.

6 **Redemption and Purchase**

(a) **Final Redemption**

Unless previously redeemed or purchased and cancelled as provided below, this Note (including each Credit Linked Note) will be redeemed at its Redemption Amount shown on its face on the Maturity Date shown on its face ("**Redemption Amount**") (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) **Redemption at the Option of the Issuer**

If so provided hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Securityholders, 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 (but excluding) to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(b).

In the case of a partial redemption of the Notes other than AMTNs, the notice to Securityholders 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.

In the case of a partial redemption of AMTNs, the AMTNs to be redeemed must be specified in the notice and selected (i) in a fair and reasonable manner; and (ii) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the AMTNs are listed.

(c) **Redemption at the Option of Securityholders**

If so provided hereon, the Issuer shall, at the option of the holder of any Note, upon the holder of such Note giving not less than 30 nor more than 60 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with the Issuing and Paying Agent or any other Paying Agent at its specified office or (in the case of Registered Notes other than AMTNs) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice (an "**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar, any other Transfer Agent or the Issuer (as applicable) within the Securityholders' 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.

(d) **Redemption for Taxation Reasons**

If so provided hereon, 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 Securityholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 6(f) below) (together with interest accrued to (but excluding) the date fixed for redemption), if:

- (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement; and
- (ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer shall deliver or procure that there is delivered to the Issuing and Paying Agent and the Trustee (in the case of Notes other than AMTNs) and the Australian Agent (in the case of AMTNs) a certificate signed by an Authorised Signatory of the Issuer or the Guarantor, as the case may be, 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 tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment. The Australian Agent will make such certificate available to the holders of the relevant AMTNs for inspection. The Trustee shall be entitled to accept any such certificate and opinion as sufficient evidence of the satisfaction of the condition precedent set out in (ii) of this Condition 6(d) above without further enquiry and without liability to any Securityholder, Couponholder or any other person, in which event it shall be conclusive and binding on Securityholders and Couponholders.

(e) **Purchases**

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

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

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

(f) **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(d) 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 of this Condition 6(f), 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(d) 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).

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

(g) **Credit Linked Notes**

Provisions relating to the redemption of Credit Linked Notes will be set out in the applicable Pricing Supplement.

(h) **Cancellation**

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

If any AMTN represented by an AMTN Certificate is redeemed or purchased and cancelled in accordance with this Condition 6 then (i) the applicable AMTN Certificate will be deemed to be surrendered and cancelled without any further formality, and (ii) where some, but not all, of the AMTNs represented by that AMTN Certificate are so redeemed or purchased and cancelled, the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate in respect of those AMTNs that had been represented by the original AMTN Certificate and which remain outstanding following such redemption or purchase and cancellation.

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 Coupons, as the case may be, at the specified office of any Paying Agent by transfer to an account maintained by the holder in the currency in which payment is due with a bank in the principal financial centre for that currency or, at the option of the relevant Paying Agent, by a cheque drawn in that currency.

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

This Condition 7(b) does not apply to AMTNs.

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

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made by transfer to an account (details of which appear on the Register) maintained by the holder in the currency in which payment is due with a bank in the principal financial centre for that currency or, at the option of the Registrar or the relevant Transfer Agent, by a cheque drawn in that currency and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register.

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

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

(d) **Appointment of Agents**

The Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agents, the Australian Agent and the Registrars initially appointed by the Issuer and their specified offices are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CDP Paying Agent, any other Paying Agent, the Calculation Agent, any Transfer Agent, the Australian Agent and either Registrar and to appoint additional or other Paying Agents, Calculation Agents, Transfer Agents and Registrars, provided that they will at all times maintain (i) an Issuing and Paying Agent, (ii) a Calculation Agent, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CDP Paying Agent in relation to Notes cleared through CDP, (v) a Registrar or Australian Agent (as applicable) in relation to Registered Notes and (vi) a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Security(ies) are exchanged for definitive Notes, for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

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

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the 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 all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable, provided in each case that such amendment does not, in the opinion of each of the Issuer, the Guarantor and the Trustee, adversely affect the interests of the holders of the Notes or the Coupons. Any such amendment shall be binding on the holder of any Note or Coupon.

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

- (i) Bearer Notes which comprise Fixed Rate Notes (other than Credit Linked 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, Credit Linked Note or Hybrid Note is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (v) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate.
- (f) **Talons**
- On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (g) **Non-business Days**
- Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) **Default Interest**
- If on or after the due date for payment of any sum in respect of the Notes (other than AMTNs), payment of all or any part of such sum is not made against due presentation of the Notes (in the case of Bearer Notes) or the Certificates representing the Notes or, as the case may be, the Coupons, or if any sum in respect of the AMTNs is not paid in full on its due date, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Securityholders 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 a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note or (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (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 Condition 7(h) shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.
- (i) **AMTNs**
- (i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:
 - (A) if the AMTNs are in the clearing system (the “**Austraclear System**”) operated by Austraclear, by crediting to the account (held with a bank in Australia) notified by Austraclear to the Australian Agent, or otherwise by paying to Austraclear in the manner required by Austraclear, each amount due under the AMTNs and

on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case may be)) and otherwise in accordance with the rules and regulations known as the “**Austraclear System Regulations**” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System;

- (B) if the AMTNs are not in the Austraclear System, by crediting each amount due to a Securityholder and on its due date (including on the relevant Interest Payment Date or Maturity Date (as the case may be), to an Australian dollar account (held with a bank in Australia) previously notified in writing by that Securityholder to the Issuer and the Australian Agent or, in the absence of such notification by close of business on the relevant Record Date (as defined below) either (x) at the option of the Australian Agent, by cheque drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date to that Securityholder (or to the first named of the relevant joint Securityholders) or (y) by such other method of payment capable of transferring such amount to the Securityholder as may be proposed with adequate notice to the Australian Agent by the Securityholder and agreed to by the Australian Agent (such agreement not to be unreasonably withheld).
- (ii) If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial center for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.
- For the purposes of this Condition 7(i), in relation to AMTNs, “**Business Day**” has the meaning given in the Australian Agency Agreement.
- (iii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs or (if so required by the Trustee by notice in writing following the occurrence of an Event of Default or Potential Event of Default or following receipt by the Trustee of any money which it proposes to pay under Clause 7.1 of the Trust Deed) to the Trustee, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Securityholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Securityholder agree) or, at the option of the Australian Agent, by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Securityholder. Payment of an amount due in respect of an AMTN to the holder or otherwise in accordance with this Condition or to the Trustee discharges the obligation of the Issuer to all persons to pay that amount.
- (iv) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Securityholder on the same day as the day on which the instructions are given.
- (v) If an electronic transfer or a cheque posted for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Securityholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.

- (vi) Interest will be calculated in the manner specified in Condition 5 and will be payable to the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date and, if such payment is to be made by cheque at the option of the Australian Agent, cheques will be made payable to the Securityholder (or, in the case of joint Securityholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Securityholder (or, in the case of joint Securityholders, by all the Securityholders) in such form as may be prescribed by the Australian Agent. In absence of notification by a Securityholder of his Australian dollar account (held with a bank in Australia) and the election by the Australian Agent to not make payment by cheque, payment shall be made by such other method capable of transferring such amount to the Securityholder as may be proposed with adequate notice to the Australian Agent by the Securityholder and agreed to by the Australian Agent (such agreement not to be unreasonably withheld). Payments of principal will be made, when due, to, or to the order of, the persons who are registered as Securityholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.
- (vii) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.
- (viii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Securityholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

In this Condition 7(i) in relation to AMTNs, “**Record Date**” means, in the case of payments of principal or interest, the close of business in Sydney on the date which is the eighth calendar day before the due date of the relevant payment of principal or interest.

8 Taxation

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

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or
- (c) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), or Coupon is presented for payment.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

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 Securityholders 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 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (each an “**Event of Default**”) shall have occurred and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (provided in any such case that the Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer and the Guarantor 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 or the Guarantor does not pay any principal or interest payable under any of the Notes and such default continues for a period of five business days after the due date;
- (b) the Issuer or the Guarantor does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer or the Guarantor referred to in Condition 10(a)) under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes and, if that default is capable of remedy, it is not remedied within 30 days after the date of the notice from the Trustee or a holder of the relevant AMTNs to the Issuer or, as the case may be, the Guarantor requiring the same to be remedied;
- (c)
 - (i) any other indebtedness of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor in respect of borrowed money becomes due and payable prior to its stated maturity by reason of any event of default (however described) or is not paid when due or within any originally agreed applicable grace period; or
 - (ii) the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor 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 this Condition 10(c) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this Condition 10(c) has/have occurred equals or exceeds S\$75,000,000 or its equivalent in other currency or currencies;

- (d) the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor is (or is deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of its indebtedness (other than those contested in good faith and by appropriate proceedings), takes any proceeding under any law for the rescheduling, readjustment or deferment of all or a material part of its indebtedness (or of any material part which it will otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor;
- (e) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor and is not discharged or stayed within 30 days;
- (f) any security on or over the whole or a material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor becomes enforceable;
- (g) any meeting is convened, or any petition or originating summons is presented or any order is made or any resolution is passed for the winding-up (as defined in the Trust Deed) of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor (except (i) in the case of the Issuer, for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders; or (ii) in the case of the Guarantor, where such reconstruction, amalgamation, merger, consolidation or reorganisation is in accordance with Clause 10.2.11 of the Trust Deed; or (iii) in the case of a Principal Subsidiary, where such winding-up does not involve insolvency and results in such Principal Subsidiary being able to pay all of its creditors in full) or a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor or over all or any substantial part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor is appointed and (other than the appointment of a judicial manager or liquidator (including a provisional liquidator)) is not discharged within 30 days;
- (h) the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor ceases to carry on the whole or a substantial part of its business, except (A) in the case of the Issuer, for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved in writing by the Trustee or by an Extraordinary Resolution of the Securityholders; or (B) in the case of the Guarantor, where such reconstruction, amalgamation, merger, consolidation or reorganisation is in accordance with Clause 10.2.11 of the Trust Deed; or (C) in the case of a Principal Subsidiary, where such cessation does not involve insolvency and results in such Principal Subsidiary being able to pay all of its creditors in full. For the purposes of this Condition 10(h), no cessation of any part of the business of the Guarantor or any of the Principal Subsidiaries of the Guarantor shall constitute an Event of Default if such cessation:
 - (i) does not require the approval of the shareholders of the Guarantor in a general meeting under the rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); or
 - (ii) has been approved by the shareholders of the Guarantor in a duly convened general meeting of the Guarantor in accordance with the rules of the SGX-ST and such approval has not been obtained in consideration for the payment of a consent fee or any other financial incentive to some or all shareholders of the Guarantor;

- (i) an order is made by any government authority or agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or substantially all of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries of the Guarantor and such event has a material adverse effect on the Issuer or the Guarantor;
- (j) if at any time any act, condition or thing which is required to be done, fulfilled or performed in order (i) to enable the Issuer or the Guarantor lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under and in respect of the Notes and the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll, (ii) to ensure that those obligations are legal, valid, binding and enforceable or (iii) to make the Notes, the Coupons and the Trust Deed admissible in evidence in Singapore is not done, fulfilled or performed (unless such condition is no longer required or applicable);
- (k) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their obligations under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes;
- (l) the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll or any of the Notes ceases for any reason (or is claimed by the Issuer or the Guarantor not) to be the legal and valid obligations of the Issuer or the Guarantor, binding upon it in accordance with its terms (subject to equitable principles and insolvency laws affecting creditors' rights generally);
- (m) any litigation, arbitration or administrative proceeding (other than those of a vexatious or frivolous nature or which are contested in good faith) against the Issuer or the Guarantor is current or pending to restrain the entry into, the exercise of any of the rights under, and/or the performance or enforcement of, or compliance with, any of the material obligations of the Issuer or the Guarantor under the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll 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 Conditions 10(d), 10(e), 10(f), 10(g), 10(h) or 10(i); or
- (o) the Issuer, the Guarantor or any of the Principal Subsidiaries of FCL 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.

11 Enforcement of Rights

[At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless]³ [Upon the occurrence of an Event of Default or any other event that would cause any series of Notes to become immediately due and payable, the Trustee shall notify the holders of such Notes of the same and seek instructions from such holders. Subject to Condition 12, the Trustee shall, without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit or as instructed by the holders of such Notes to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless]⁴ (a) it shall have been so directed by an Extraordinary Resolution of the Securityholders of such Notes or so requested in writing by Securityholders holding not less than 25 per cent. in principal amount of such Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Securityholders to its satisfaction. No Securityholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

12 Meeting of Securityholders and Modifications

- (a) The Trust Deed and (in the case of AMTNs) the Note (AMTN) Deed Poll each contains provisions for convening meetings of Securityholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee, the Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Securityholders holding not less than 10 per cent. 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 Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may (but is not obliged to) agree, without the consent of the Securityholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or the Note (AMTN) Deed Poll 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 any mandatory provision of law or is required by Euroclear, Clearstream, Luxembourg, CDP and/or any other clearing system in which the Notes may be held, (ii) any other modification (except as mentioned in the Trust Deed or, as the case may be, the Note (AMTN) Deed Poll) which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders, and (iii) any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement or these Conditions which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, unless the Trustee otherwise agrees, such modification, waiver or authorisation shall be notified by the Issuer to the Securityholders as soon as practicable.

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

- (b) **Meetings of AMTN holders:** The Note (AMTN) Deed Poll contains provisions for convening meetings of holders of AMTNs to consider any matter affecting their interests.

13 Replacement of Notes, Certificates, AMTN 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, 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 Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders in accordance with Condition 16, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, 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 and/or the Guarantor may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

Should any AMTN Certificate be lost, stolen, mutilated, defaced or destroyed, upon written notice of such having been received by the Issuer and the Australian Agent:

- (a) that the AMTN Certificate will be deemed to be cancelled without any further formality; and
- (b) the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate to represent the holding of the AMTNs that had been represented by the original AMTN Certificate.

14 Further Issues

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

15 Indemnification of the Trustee

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

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer or the Guarantor and any other person appointed by the Issuer in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has express written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Securityholder or Couponholder, the Issuer, the Guarantor or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Securityholders.

The Trustee shall be entitled to rely on any direction, request or resolution of Securityholders given by holders of the requisite principal amount of Notes outstanding or passed at a meeting of Securityholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving

such direction where the Trustee is seeking such directions or in the event that no such directions are received. For the avoidance of doubt, even if such directions are received, the Trustee shall not be required to exercise any such discretion or power or take any such action as aforesaid unless it has been indemnified and/or secured and/or pre-funded to its satisfaction.

The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

The Trustee may rely without liability to Securityholders, Couponholders, the Issuer, the Guarantor or any other person on any report, confirmation, opinion or certificate from or any advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise, and, in such event, such report, confirmation, opinion, certificate or advice shall be binding on the Securityholders and the Couponholders.

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

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 a Sunday) after the date of mailing. Notwithstanding the foregoing, notices to the holders of Notes will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. Notices regarding AMTNs may also be published in a leading daily newspaper of general circulation in Australia. If so given, it is expected that such notices will be published in *The Australian Financial Review*. Any such notice will be deemed to have been given on the date of such publication.

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 and/or CDP, there may be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of CDP) CDP for communication by it to the Securityholders, except that if the Notes are listed on any Stock Exchange and the rules of such Stock Exchange so require, notice will in any event be published in accordance with the preceding paragraphs. Any such notice shall be deemed to have been given to the Securityholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or CDP.

Notices to be given by any Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same with the Issuing and Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes or AMTNs, as the case may be) or such other Agent as may be specified in these Conditions. Whilst the Notes are represented by a Global Security or a Global Certificate, such notice may be given by any Securityholder to the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition 16, in any case where the identities and addresses of all the Securityholders 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 1999.]¹

[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.]²

18 **Governing Law and Jurisdiction**

Condition 19(a), Condition 19(b) and Condition 19(c) do not apply to AMTNs.

- (a) **Governing Law:** The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English]¹[Singapore]² law.
- (b) **Jurisdiction:** The Courts of [England]¹[Singapore]² are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes (other than AMTNs), Coupons, Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **[Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.]¹
- (d) **AMTNs:**
 - (i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia, save that the provisions of Condition 10 and Condition 12(a) shall be interpreted so as to have the same meaning they would have if governed by English Law.
 - (ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as “**Australian Proceedings**”) may be brought in such courts.
 - (iii) For so long as any AMTNs are outstanding, the Issuer agrees that it will irrevocably appoint an agent in Australia to receive, for it and on its behalf, service of process in any Australian Proceedings in Australia.

Note:

¹ Include for Notes governed by English law.

² Include for Notes governed by Singapore law.

³ Include for non-retail issuance.

⁴ Include for retail issuance.

TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

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

The Perpetual Securities are issued by FCL Treasury Pte. Ltd. (the “**Issuer**”) pursuant to the Trust Deed (as defined below) and will be guaranteed by Frasers Centrepoint Limited (the “**Guarantor**”). The Perpetual Securities are constituted by a trust deed dated 16 January 2017 (as amended or supplemented as at the date of issue of the Perpetual Securities (the “**Issue Date**”), the “**Trust Deed**”) made between (1) the Issuer, (2) the Guarantor and (3) The Bank of New York Mellon, London 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 Perpetual Securityholders (as defined below) as supplemented by the Singapore Supplemental Trust Deed (as amended and supplemented as at the Issue Date) dated 16 January 2017 between the same parties.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Perpetual Securities, Certificates, Coupons and Talons referred to below. The Issuer and the Guarantor have entered into an agency agreement dated 16 January 2017 made between (1) the Issuer, (2) the Guarantor, (3) The Bank of New York Mellon, London Branch, as issuing and paying agent (in such capacity, the “**Issuing and Paying Agent**”) and (where appointed as contemplated therein) as calculation agent (in such capacity, the “**Calculation Agent**”), (4) The Bank of New York Mellon, Singapore Branch, as CDP paying agent in respect of Perpetual Securities cleared through CDP (the “**CDP Paying Agent**”) and, together with the Issuing and Paying Agent and any other paying agents that may be appointed, the “**Paying Agents**”), (5) The Bank of New York Mellon (Luxembourg) S.A., as transfer agent in respect of Perpetual Securities cleared through Euroclear (as defined below) or Clearstream, Luxembourg (as defined below) and The Bank of New York Mellon, Singapore Branch, as transfer agent in respect of Perpetual Securities cleared through CDP (each a “**Transfer Agent**” and, together with any other transfer agents that may be appointed, the “**Transfer Agents**”), (6) The Bank of New York Mellon (Luxembourg) S.A., as registrar in respect of Perpetual Securities cleared through Euroclear or Clearstream, Luxembourg and The Bank of New York Mellon, Singapore Branch, as registrar in respect of Perpetual Securities cleared through CDP (each in such capacity, the “**Registrar**”) and (7) the Trustee, as trustee in relation to the Perpetual Securities (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”). The Perpetual Securityholders and the holders (the “**Couponholders**”) of the distribution coupons (the “**Coupons**”) appertaining to the Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) are bound by and are deemed to have notice of all of the provisions of these Conditions, (in respect of the holders of Perpetual Securities) all the provisions of the Trust Deed and the applicable Pricing Supplement, and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

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

1 Form, Denomination and Title

(a) Form and Denomination

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

(b) Title

- (i) Title to the Bearer Perpetual Securities and the Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Perpetual Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”).
- (ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Perpetual Security, Coupon or Talon shall be deemed to be and shall be treated as the absolute owner of such Perpetual Security, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Perpetual Security, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft, 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 Perpetual Securities 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 depository for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or The Central Depository (Pte) Limited (“**CDP**”), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the Transfer Agents and all other agents of the Issuer and the Trustee as the holder of such principal amount of Perpetual Securities other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Perpetual Securities, for which purpose the bearer of the Global Security or, as the case may be, the person whose name is shown on the Register shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the other Paying Agents, the Calculation Agent, the Registrar, the other Transfer Agents, all other agents of the Issuer and the Trustee as the holder of such Perpetual Securities in accordance with and subject to the terms of the Global Security or, as the case may be, the Global Certificate (and the expressions “**Perpetual Securityholder**” and “**holder of Perpetual Securities**” and related expressions shall be construed accordingly). Perpetual Securities which are represented by the Global Security or, as the case may be, the Global Certificate will

be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or CDP. For so long as any of the Perpetual Securities is represented by a Global Security or a Global Certificate and such Global Security or, as the case may be, Global Certificate is held by CDP, the record date for purposes of determining entitlements to any payment of principal, interest and any other amounts in respect of the Perpetual Security shall, unless otherwise specified by the Issuer, be the date falling five (5) business days prior to the relevant payment date (or such other date as may be prescribed by CDP).

- (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 depository for Euroclear and/or Clearstream, Luxembourg, (2) CDP and/or (3) any other clearing system, “**Perpetual Securityholder**” means the bearer of any Bearer Perpetual Security or the person in whose name a Registered Perpetual Security is registered (as the case may be) and “**holder**” (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Perpetual Security, Coupon or Talon or the person in whose name a Registered Perpetual Security is registered (as the case may be), “**Series**” means a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of distribution and “**Tranche**” means Perpetual Securities which are identical in all respects (including as to listing).
- (v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2 No Exchange of Perpetual Securities and Transfers of Registered Perpetual Securities

- (a) **No Exchange of Perpetual Securities:** Registered Perpetual Securities may not be exchanged for Bearer Perpetual Securities. Bearer Perpetual Securities of one Denomination Amount may not be exchanged for Bearer Perpetual Securities of another Denomination Amount. Bearer Perpetual Securities may not be exchanged for Registered Perpetual Securities.
- (b) **Transfer of Registered Perpetual Securities:** Subject to Conditions 2(e) and 2(f) below, one or more Registered Perpetual Securities may be transferred upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Perpetual Securities to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the 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 Perpetual Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee, and by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Perpetual Securityholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Perpetual Securities:** In the case of an exercise of the Issuer's option in respect of, or a partial redemption of, a holding of Registered Perpetual Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Perpetual Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Perpetual Securities to a person who is already a holder of Registered Perpetual Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Guarantor, the Registrar or the 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 tax or charges.
- (f) **Closed Periods:** No Perpetual Securityholder may require the transfer of a Registered Perpetual Security to be registered (i) during the period of 15 days prior to any date on which Perpetual Securities may be called for redemption by the Issuer at its option pursuant to Condition 5(b), (ii) after any such Perpetual Security has been called for redemption or (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(b)(ii)).

3 Status and Guarantee

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

The Senior Perpetual Securities and Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the 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.

(ii) **Guarantee of Senior Perpetual Securities**

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

(b) **Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities (being the Perpetual Securities that specify their status as subordinated in the applicable Pricing Supplement).

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

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

In these Conditions, “**Parity Obligation**” means, in relation to the Issuer or the Guarantor, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer or, as the case may be, the Guarantor (1) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with (in the case of the Issuer) the Subordinated Perpetual Securities or (in the case of the Guarantor) the Subordinated Guarantee (as defined in the Trust Deed) and (2) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer or, as the case may be, the Guarantor and/or, in the case of an instrument or security guaranteed by the Issuer or, as the case may be, the Guarantor, the issuer thereof.

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

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

In these Conditions, “**winding-up**” means the bankruptcy, termination, winding-up, liquidation, receivership or similar proceedings in respect of the Issuer or, as the case may be, the Guarantor.

(iii) **No set-off – Issuer**

Subject to applicable law, no holder of Subordinated Perpetual Securities or any Coupons relating to them may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them, and each holder of Subordinated Perpetual Securities or any Coupons relating to them shall, by virtue of his holding of any Subordinated Perpetual Securities or Coupons relating to them, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer. Notwithstanding

the preceding sentence, if any of the amounts owing to any holder of Subordinated Perpetual Securities or any Coupons relating to them by the Issuer in respect of, or arising under or in connection with the Subordinated Perpetual Securities or Coupons relating to them is discharged by set-off, such holder of Subordinated Perpetual Securities or any Coupons relating to them shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of the winding-up or administration of the Issuer, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

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

The payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Subordinated Perpetual Securities and the Coupons relating to them are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor. The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, subordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with any Parity Obligations of the Guarantor. The rights and claims of the Perpetual Securityholders in respect of the Subordinated Guarantee are subordinated as provided in this Condition 3(b).

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

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

(vi) **No set-off – Guarantor**

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

4 Distribution and other Calculations

(l) Distribution on Fixed Rate Perpetual Securities

(a) Distribution Rate and Accrual

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

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

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

(b) Distribution Rate

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

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

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

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

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

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

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

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

If the Calculation Agent does not at any material time determine or calculate the applicable Reset Distribution Rate or (if a Change of Control Event has occurred) the applicable Distribution Rate, the Trustee may, but shall not be obliged to, do so or procure the determination or calculation of such Rate of Interest or Interest Amount. If it does so, the Trustee or such agent shall apply the provisions of this Condition 4(I), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

(f) **Calculations**

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

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

(a) **Distribution Payment Dates**

Each Floating Rate Perpetual Security confers a right to receive distribution on its Calculation Amount from the Distribution Commencement Date in respect thereof and as shown on the face of such Perpetual Security, and such distribution will be payable in arrear on each distribution payment date (each a “**Distribution Payment Date**”). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Date(s) or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Distribution Period on the face of the Perpetual Security (the “**Specified Number of Months**”) after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be). If any Distribution Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating

Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

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

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

(b) **Distribution Rate for Floating Rate Perpetual Securities:** The Distribution Rate in respect of Floating Rate Perpetual Securities for each Distribution Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(i) ISDA Determination for Floating Rate Perpetual Securities

Where ISDA Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (i), “**ISDA Rate**” for a Distribution Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified hereon;
- (B) the Designated Maturity is a period specified hereon; and
- (C) the relevant Reset Date is the first day of that Distribution Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (i), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Perpetual Securities where the Reference Rate is not specified as being SIBOR or SOR

(A) Where Screen Rate Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Period will, subject as provided below, be either:

- (I) the offered quotation; or
- (II) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Perpetual Securities is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Distribution Rate in respect of such Perpetual Securities will be determined in accordance with the Pricing Supplement;

- (B) If the Relevant Screen Page is not available or if, sub-paragraph (A)(I) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (A)(II) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Distribution Rate for such Distribution Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (C) If sub-paragraph (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Distribution Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer

suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Distribution Rate is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Period, in place of the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to that last preceding Distribution Period).

- (iii) Screen Rate Determination for Floating Rate Perpetual Securities where the Reference Rate is specified as being SIBOR or SOR
 - (A) Each Floating Rate Perpetual Security where the Reference Rate is specified as being SIBOR (in which case such Perpetual Security will be a SIBOR Perpetual Security) or SOR (in which case such Perpetual Security will be a Swap Rate Perpetual Security) confers a right to receive distribution at a floating rate determined by reference to a Benchmark as specified hereon or in any case such other Benchmark as specified hereon;
 - (B) The Distribution Rate payable from time to time in respect of each Floating Rate Perpetual Security under this Condition 4(II)(b)(iii) will be determined by the Calculation Agent on the basis of the following provisions:
 - (I) in the case of Floating Rate Perpetual Securities which are SIBOR Perpetual Securities:
 - (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11.00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
 - (bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSIRFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities. The Distribution Rate for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;

- (cc) if on any Distribution Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be determined in accordance with sub-paragraph (bb) above on the basis of the quotations of those Reference Banks providing such quotations; and
 - (dd) if on any Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate or if on such Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date;
- (II) in the case of Floating Rate Perpetual Securities which are Swap Rate Perpetual Securities
 - (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Distribution Rate for such Distribution Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period;
 - (bb) if on any Distribution Determination Date no such rate is quoted on Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, such Calculation Agent will determine the Distribution Rate for such Distribution Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select;

(cc) if on any Distribution Determination Date such Calculation Agent is otherwise unable to determine the Distribution Rate under paragraphs (bb) and (cc) above, the Distribution Rate shall be determined by such 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 Reference Banks or those of them (being at least two in number) to such Calculation Agent at or about 11.00 a.m. (Singapore time) on the first business day following such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Perpetual Securities for such Distribution Period by whatever means they determine to be most appropriate, or if on such day one only or none of the Reference Banks provides such Calculation Agent with such quotation, the Distribution Rate for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about 11.00 a.m. (Singapore time) on such Distribution Determination Date.

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

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

(c) **Definitions**

As used in these Conditions:

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

“business day” means:

(i) (in the case of Perpetual Securities denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore; and

(ii) (in the case of Perpetual Securities denominated in a currency other than Singapore dollars), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks and foreign exchange markets are open for business in Singapore and the principal financial centre for that currency;

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

“Day Count Fraction” means, in respect of the calculation of an amount of distribution on any Perpetual Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period, the **“Calculation Period”**):

- (i) if “**Actual/Actual**” or “**Actual/Actual — ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“D₁” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) 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 Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

- (vii) if “**Actual/Actual — ICMA**” is specified in the applicable Pricing Supplement,
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Date” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Distribution Payment Date(s); and

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date;

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

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

“Distribution Rate” means the distribution rate payable from time to time in respect of this Perpetual Security and that is either specified or calculated in accordance with the provisions hereon;

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as the same may be updated, amended or supplemented from time to time), unless otherwise specified hereon;

“Reference Banks” means the institutions specified in the applicable Pricing Supplement or, if none, three major banks selected by the Issuer in the interbank market that is most closely connected with the Benchmark;

“Reference Rate” means the rate specified as such hereon;

“Relevant Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Perpetual Securities are denominated;

“Relevant Financial Centre” means, in the case of distribution to be determined on a Distribution Determination Date with respect to any Floating Rate Perpetual Security, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

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

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

(III) **Calculations**

(a) **Margin, Maximum/Minimum Distribution Rates and Rounding**

- (i) If any Margin is specified hereon (either (A) generally, or (B) in relation to one or more Distribution Periods), an adjustment shall be made to all Distribution Rates, in the case of (A), or the Distribution Rates for the specified Distribution Periods, in the case of (B), calculated in accordance with Condition 4(II) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Distribution Rate or Minimum Distribution Rate is specified hereon, then any Distribution Rate shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

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

The Calculation Agent will, as soon as practicable after the Relevant Time on each Distribution Determination Date determine the Distribution Rate and calculate the amount of distribution payable (the “**Distribution Amounts**”) in respect of each Calculation Amount of the relevant Floating Rate Perpetual Securities for the relevant Distribution Period. The amount of distribution payable per Calculation Amount in respect of any Floating Rate Perpetual Security shall be calculated by multiplying the product of the Distribution Rate and the Calculation Amount, by the Day Count Fraction shown on the Perpetual Security. 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.

(c) **Notification**

The Calculation Agent will cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Trustee, the Issuer and the Guarantor as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Perpetual Securities, if so required by the Issuer, the Calculation Agent will also cause the Distribution Rate and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to Perpetual Securityholders in accordance with Condition 14 as soon as possible after their determination. The Distribution Amounts and the Distribution Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period by reason of any Distribution Payment Date not being a business day. If an Enforcement Event occurs in relation to the Floating Rate Perpetual Securities, the Distribution Rate and Distribution Amounts payable in respect of the Floating Rate Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Distribution Rate and Distribution Amounts need to be made unless the Trustee requires otherwise.

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

If the Calculation Agent does not at any material time determine or calculate the Distribution Rate for a Distribution Period or any Distribution Amount, the Trustee may, but shall not be obliged to, do so or otherwise procure the determination or calculation of such Rate of Interest or Interest Amount. If it does so, the Trustee or such agent shall apply the provisions of this Condition 4, 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.

(e) **Calculation Agent and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Perpetual Security remains outstanding (as defined in the Trust Deed), there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Perpetual Security remains outstanding, there shall at all times be 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 Distribution Rate for any Distribution Period or to calculate the Distribution Amounts, the Issuer will 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.

(IV) **Distribution Discretion**

(a) **Optional Payment**

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

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

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

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

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

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

(b) **No Obligation to Pay**

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

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

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

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

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

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

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

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

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Guarantor's or the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Guarantor's or the Issuer's Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Guarantor's or the Issuer's Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Guarantor's or the Issuer's Parity Obligations,

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

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

The Issuer:

- (i) may, at its sole discretion, satisfy an Optional Distribution or Arrears of Distribution, as the case may be (in whole or in part) at any time by giving notice of such election to the Trustee, the Issuing and Paying Agent and the Perpetual Securityholders (in accordance with Condition 14) not more than 20 nor less than 10 business days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution or Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earliest of:
 - (A) the date of redemption of the Perpetual Securities in accordance with the redemption events set out in Condition 5 (as applicable);
 - (B) the next Distribution Payment Date on the occurrence of a breach of Condition 4(IV)(d) or the occurrence of a Compulsory Distribution Payment Event; and
 - (C) the date such amount becomes due under Condition 9 or on a winding-up of the Issuer or the Guarantor.

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

(f) **No Default**

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

For the avoidance of doubt, nothing in this Condition 4(IV) shall restrict the payment of any fees to any party by way of issuance of shares or payment of cash by the Guarantor.

5 Redemption and Purchase

(a) **No Fixed Redemption Date**

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9) only have the right (but not the obligation) to redeem or purchase them in accordance with the following provisions of this Condition 5.

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

If so provided hereon, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Perpetual Securityholders, redeem all or, if so provided, some of the Perpetual Securities at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Perpetual Securities shall be at their Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) to (but excluding) the date fixed for redemption.

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

In the case of a partial redemption of the Perpetual Securities, the notice to Perpetual Securityholders shall also contain the certificate numbers of the Bearer Perpetual Securities or, in the case of Registered Perpetual Securities, shall specify the principal amount of Registered Perpetual Securities drawn and the holder(s) of such Registered Perpetual Securities, to be redeemed, which shall have been drawn by or on behalf of the 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 Perpetual Securities 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 Perpetual Securities.

(c) **Redemption for Taxation Reasons**

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

- (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, or as a result of a position adopted by any political subdivision or any authority of or in Singapore having

power to tax, which causes the Perpetual Securities not to qualify as “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore, which position 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 or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Perpetual Securities then due.

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver or procure that there is delivered to the Issuing and Paying Agent and the Trustee a certificate signed by an Authorised Signatory of the Issuer or the Guarantor, as the case may be, 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 tax or legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

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

(d) **Redemption for Accounting Reasons**

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

Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the Issuer shall deliver or procure that there is delivered to the Trustee and the Issuing and Paying Agent:

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

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

(e) **Redemption for Tax Deductibility**

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

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

payments by the Issuer or, as the case may be, the Guarantor, which would otherwise have been tax deductible to the Issuer, are no longer, or would in the Distribution Period immediately following that Distribution Payment Date no longer be, fully deductible by the Issuer for Singapore income tax purposes.

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

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

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

(f) **Redemption upon a Ratings Event**

If so provided hereon, the Perpetual Securities may be redeemed at the option of the Issuer in whole but not in part on any Distribution Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Perpetual Securityholders (which notice shall be irrevocable), at their Redemption Amount, (together with distribution accrued to (but excluding) the date fixed for redemption), if as of the date fixed for redemption, an amendment, clarification or change has occurred, or will in the Distribution Payment Period immediately following the date fixed for redemption occur, in the equity credit criteria, guidelines or methodology of the Rating Agency (as defined below) specified hereon (or any other rating agency of equivalent recognised standing requested from time to time by the Issuer or, as the case may be, the Guarantor to grant a rating to

the Issuer, the Guarantor or, as the case may be, the Perpetual Securities) and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Perpetual Securities than the equity credit assigned or which would have been assigned on the Issue Date (in the case of such Rating Agency) or assigned at the date when equity credit is assigned for the first time (in the case of any other rating agency), provided that, prior to the publication of any notice of redemption pursuant to this Condition 5(f), the Issuer shall deliver, or procure that there is delivered to the Trustee and the Issuing and Paying Agent a certificate, signed by an Authorised Signatory of the Issuer, stating that the Issuer is entitled to effect such redemption and setting out the details of such circumstances.

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

In this Condition 5(f), “**Rating Agencies**” means (a) Moody’s Investors Service Inc., (b) Fitch, Ratings Inc., and/or (c) Standard & Poor’s Rating Services, and their respective successors and “**Rating Agency**” means any one of them.

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

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

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

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

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

(i) **Purchases**

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

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

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

(j) **Cancellation**

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

6 Payments

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

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

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

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

(ii) Distribution on Registered Perpetual Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of distribution on each Registered Perpetual Security shall be made by transfer to an account (details of which appear on the Register) maintained by the payee in the currency in which payment is due with a bank in the principal financial centre for that currency or, at the option of the Registrar or the relevant Transfer Agent, by a cheque drawn in that currency and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register.

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

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

(d) **Appointment of Agents**

The Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agents and the Registrars initially appointed by the Issuer and their specified offices are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CDP Paying Agent, any other Paying Agent, the Calculation Agent, any Transfer Agent and either Registrar and to appoint additional or other Paying Agents, Calculation Agents, Transfer Agents and Registrars, provided that they will at all times maintain (i) an Issuing and Paying Agent, (ii) a Calculation Agent, (iii) a Transfer Agent in relation to Registered Perpetual Securities, (iv) a CDP Paying Agent in relation to Perpetual Securities cleared through CDP, (v) a Registrar in relation to Registered Perpetual Securities and (vi) a Paying Agent in Singapore, where the Perpetual Securities may be presented or surrendered for payment or redemption, in the event that the Global Security(ies) are exchanged for definitive Perpetual Securities, for so long as the Perpetual Securities are listed on the SGX-ST and the rules of the SGX-ST so require.

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

Subject to the provisions of the Agency Agreement, the Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee, without the consent of the holder of any Perpetual Security or Coupon, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which all of the Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent, the Calculation Agent, the Transfer Agent, the Registrar and the Trustee may mutually deem necessary or desirable, provided that in each case such amendment does not, in the opinion of each of the Issuer, the Guarantor and the Trustee, adversely affect the interests of the holders of the Perpetual Securities or the Coupons. Any such amendment shall be binding on the holder of any Perpetual Security or Coupon.

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

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

(f) **Talons**

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

(g) **Non-business Days**

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

7 Taxation

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

- (a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Perpetual Security or Coupon or the receipt of any sums due in respect of such Perpetual Security or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or
- (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) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Perpetual Security (or the Certificate representing it), or Coupon is presented for payment.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any additional amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

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

8 Prescription

Claims against the Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of distributions) from the appropriate Relevant Date in respect of them.

9 Non-payment

(a) Non-payment when Due

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

(b) Proceedings for Winding-Up

If (i) a final and effective order is made or an effective resolution is passed for the winding-up of the Issuer and/or the Guarantor or (ii) the Issuer fails to make payment in respect of the Perpetual Securities when due or the Guarantor fails to pay any amount under the Guarantee when due and, in each case, such failure continues for a period of more than five business days (together, the “**Enforcement Events**”), the Issuer or, as the case may be, the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities or, as the case may be, the Guarantee and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the winding-up of the Issuer and/or the Guarantor and/or prove in the winding-up of the Issuer and/or the Guarantor and/or claim in the liquidation of the Issuer and/or the Guarantor for such payment.

(c) Enforcement

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

(d) Entitlement of Trustee

The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the Issuer and/or the Guarantor to enforce the terms of the Trust Deed, the Guarantee or the Perpetual Securities unless (i) it shall have been so directed by an Extraordinary Resolution of the Perpetual Securityholders or so requested in writing by Perpetual Securityholders holding not less than 25 per cent. in principal amount of the Perpetual Securities outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded by the Perpetual Securityholders to its satisfaction.

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

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

(f) **Extent of Perpetual Securityholders' Remedy**

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

10 Meeting of Perpetual Securityholders and Modifications

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

The Trustee, the Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Perpetual Securityholders holding not less than 10 per cent. of the principal amount of the Perpetual Securities of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Perpetual Securityholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Perpetual Securityholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of redemption of the Perpetual Securities or any date for payment of distribution or Distribution Amounts on the Perpetual Securities, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Perpetual Securities, (c) to reduce the rate or rates of distribution in respect of the Perpetual Securities or to vary the method or basis of calculating the rate or rates of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Securities, (d) to vary any method of, or basis for, calculating the Redemption Amount, (e) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Perpetual Securityholders or the majority required to pass the Extraordinary Resolution or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Perpetual Securityholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

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

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

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

11 Replacement of Perpetual Securities, Certificates, Coupons and Talons

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

12 Further Issues

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

13 Indemnification of the Trustee

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

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Guarantor, or any other person appointed by the Issuer in relation to the Perpetual Securities of the duties and obligations on their part expressed in respect of the same and, unless it has express written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Perpetual Securityholder or Couponholder, the Issuer, the Guarantor, or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Perpetual Securityholders.

The Trustee shall be entitled to rely on any direction, request or resolution of Perpetual Securityholders given by holders of the requisite principal amount of Perpetual Securities outstanding or passed at a meeting of Perpetual Securityholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, these Conditions or any other transaction document to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the Perpetual Securityholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable to any person for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that no such directions are received.

The Trustee shall not be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

The Trustee may rely without liability to Perpetual Securityholders, Couponholders, the Issuer, the Guarantor or any other person on any report, confirmation, opinion or certificate from or any advice of any legal advisers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise, and, in such event, such report, confirmation, opinion, certificate or advice shall be binding on the Perpetual Securityholders and the Couponholders.

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

14 Notices

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

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

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

Notices to be given by any Perpetual Securityholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Perpetual Security or Perpetual Securities, with the Issuing and Paying Agent (in the case of Bearer Perpetual Securities) or the Registrar (in the case of Certificates) or such other Agent as may be specified in these Conditions. Whilst the Perpetual Securities are represented by a Global Security or a Global Certificate, such notice may be given by any Perpetual Securityholder to the Issuing and Paying

Agent or, as the case may be, the Registrar or, as the case may be, such other Agent through Euroclear, Clearstream, Luxembourg and/or CDP in such manner as the Issuing and Paying Agent or, as the case may be, the Registrar or, as the case may be, such other Agent and Euroclear, Clearstream, Luxembourg and/or CDP may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identities and addresses of all the Perpetual Securityholders 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.

15 Contracts (Rights of Third Parties) Act

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act 1999.]¹

[No person shall have any right to enforce any term or condition of the Perpetual Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.]²

16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Perpetual Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English]¹[Singapore]² law[, except that the subordination provisions set out in Condition 3(b) applicable to (i) the Issuer shall be governed by and construed in accordance with the laws of the Republic of Singapore; and (ii) the Guarantor shall be governed by and construed in accordance with the laws of the Republic of Singapore]¹.
- (b) **Jurisdiction:** The Courts of [England]¹[Singapore]² are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Securities, Coupons, Talons or the Guarantee (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **[Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.]¹

Note:

¹ Include for Perpetual Securities governed by English law.

² Include for Perpetual Securities governed by Singapore law.

SUMMARY OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

The following section does not apply to AMTNs and references in the following section to the “Issuing and Paying Agent” shall be to the Issuing and Paying Agent in respect of Securities other than AMTNs.

1 Initial Issue of Securities

Global Securities and Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (as defined hereinafter).

Upon the initial deposit of a Global Security with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”), CDP, or registration of Registered Securities in the name of (i) any nominee for the Common Depositary and/or (ii) CDP, the relevant clearing system will credit each subscriber with a nominal amount of Securities equal to the nominal amount thereof for which it has subscribed and paid.

Securities 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, Securities 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.

2 Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, 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 Security represented by a Global Security or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities 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 Securities for so long as the Securities are represented by such Global Security or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Securities

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

- (i) if the relevant Pricing Supplement indicates that such Global Security is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Overview of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Securities 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 Agency Agreement for interests in a Permanent Global Security or, if so provided in the relevant Pricing Supplement, for Definitive Securities.

3.2 Permanent Global Securities

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

- (i) if the Permanent Global Security is held 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 holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the Permanent Global Security is cleared through the CDP System (as defined in "Clearance and Settlement – CDP") and (a) an Event of Default (as defined in "Terms and Conditions of the Notes") has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (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 Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available.

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

3.3 Global Certificates

If the Pricing Supplement states that the Securities are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Securities held in Euroclear or Clearstream, Luxembourg, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Securities represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer; or
- (iii) if the Global Certificate is cleared through CDP and:
 - (a) an Event of Default has occurred and is continuing; or
 - (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, 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 Securities and to continue performing its duties as set out in the depository agreement made between the Issuer and CDP and no alternative clearing system is available,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Securities

For so long as a Permanent Global Security is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Security will be exchangeable in part on one or more occasions for Definitive Securities if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Securities.

3.5 Delivery of Securities

On or after any due date for exchange the holder of a Global Security may surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Securities. In this Offering Circular, “Definitive Securities” means, in relation to any Global Security, the definitive Bearer Securities for which such Global Security may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest that have not already been paid on the Global Security and a Talon). Definitive Securities will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

3.6 Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Security, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Security, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Securities when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The Temporary Global Securities, the Permanent Global Securities and the Global Certificates contain provisions that apply to the Securities that they represent, some of which modify the effect of the terms and conditions of the Securities set out in this Offering Circular. 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 Global Security unless exchange for an interest in a Permanent Global Security or for Definitive Securities is improperly withheld or refused. Payments on any Temporary Global Security 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 Agency Agreement. All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Securities. Condition 7(d)(vi) and Condition 8(e) of the Terms and Conditions of the Notes will apply to the definitive Notes only. Condition 6(d)(vi) and Condition 7(e) of the Terms and Conditions of the Perpetual Securities will apply to the definitive Perpetual Securities only.

For the purpose of any payments made in respect of a Global Security, the relevant place of presentation (if applicable) shall be disregarded in the definition of “business day” set out in Condition 7(h) of the Terms and Conditions of the Securities.

All payments in respect of Securities represented by a Global Certificate (other than a Global Certificate held through CDP) 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 record date which shall be 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 against the Issuer in respect of Securities that are represented by a Permanent Global Security will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Securities).

4.3 Meetings

The holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall (unless such Permanent Global Security or Global Certificate represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security or of the Securities represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Relevant Currency of the Securities. All holders of Registered Securities are entitled to one vote in respect of each integral currency unit of the Relevant Currency of the Securities comprising such Securityholder’s holding, whether or not represented by a Global Certificate.

4.4 Cancellation

Cancellation of any Security represented by a Permanent Global Security that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Security or its presentation to or to the order of the Issuing and Paying Agent for endorsement in the relevant schedule of such Permanent Global Security 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

Securities represented by a Permanent Global Security may only be purchased by the Issuer, the Guarantor or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

4.6 Issuer’s Option

Any option of the Issuer provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security shall be exercised by the Issuer giving notice to the Securityholders 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 Securities drawn in the case of a partial exercise of an option and accordingly no drawing of Securities shall be required. In the event of a partial redemption of Notes of any Series, Notes will be redeemed *pro rata* and the Calculation Amount of the Notes shall be determined in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or CDP or any other clearing system (as the case may be) and the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of such clearing system.

4.7 Securityholders' Options

Any option of the Securityholders provided for in the Conditions of any Securities while such Securities are represented by a Permanent Global Security may be exercised by the holder of the Permanent Global Security giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Securities with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Securities 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 Security, and stating the nominal amount of Securities in respect of which the option is exercised and at the same time presenting the Permanent Global Security to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Any option of the Securityholders provided for in the Conditions of any Securities while such Securities are represented by a permanent Global Certificate may be exercised in respect of the whole or any part of the holding of Securities represented by such Global Certificate.

4.8 Trustee's Powers

In considering the interests of Securityholders while any Global Security is held on behalf of, or Registered Securities are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Security or Registered Securities and may consider such interests as if such accountholders were the holders of the Securities represented by such Global Security or Global Certificate.

4.9 Notices

So long as any Securities are represented by a Global Security or a Global Certificate and such Global Security or Global Certificate is held on behalf of:

- (i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) and (iii) below of this paragraph 4.9), notices to the holders of Securities 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 as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate; or
- (ii) CDP, subject to the agreement of CDP, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security or Global Certificate.

USE OF PROCEEDS

The net proceeds arising from the issue of Securities under the Programme (after deducting issue expenses) will be used for the refinancing of existing borrowings, financing of potential acquisition and investment opportunities which the Group may pursue in the future as well as working capital requirements and the general corporate purposes of the Group, or as otherwise specified in the applicable Pricing Supplement.

CAPITALISATION AND INDEBTEDNESS

Capitalisation of the Guarantor

As at 30 September 2016, the Guarantor has an issued and paid-up ordinary share capital of S\$1,766,799,848 comprising 2,899,996,444 ordinary shares and has no treasury shares.

The table below sets forth the consolidated capitalisation of the Guarantor as at 30 September 2016. This table should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this Offering Circular.

	As at 30 September 2016
	<i>(S\$'000)</i>
Total Borrowings	9,795,537
Total Equity	11,843,484
Total Capitalisation ⁽¹⁾	<u>21,639,021</u>

Note:

- (1) Total capitalisation is calculated as the aggregate of total borrowings and total equity attributable to equity holders of the Guarantor and non-controlling interests.

There has been no material change in the capitalisation of the Guarantor since 30 September 2016.

DESCRIPTION OF FCL TREASURY

History and Overview

FCL Treasury Pte. Ltd. (the “**Issuer**”) was incorporated as a private company with limited liability under the laws of the Republic of Singapore on 10 November 2011. It is a wholly-owned subsidiary of Frasers Centrepoint Limited (the “**Guarantor**”). Its principal activities are the provision of financial and treasury services to the Guarantor, its subsidiaries (together with the Guarantor, the “**Group**”) and the joint ventures and associates of the Guarantor.

Registered Office

The registered address of the Issuer as at the date of this Offering Circular is 438, Alexandra Road, #21-00, Alexandra Point, Singapore 119958.

Shareholding and Capital

As at the date of this Offering Circular, the issued share capital of the Issuer is S\$100.0 million comprising 100 million ordinary shares. All the issued ordinary shares in the capital of the Issuer are held by the Guarantor.

Directors of the Issuer

The following table sets forth information regarding the directors of the Issuer as at the Latest Practicable Date:

Name	Address	Position
Panote Sirivadhanabhakdi	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Director
Chia Khong Shoong	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Director
Lam Wei Pin	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Director

Experience and Expertise of the Board of Directors of the Issuer

Information on the business and working experience of the Directors is set out below.

Please refer to pages 179 to 180 and page 184 for the business and working experience of Panote Sirivadhanabhakdi and Chia Khong Shoong, respectively.

Mr Lam Wei Pin

Mr Lam was appointed as director of FCL Treasury Pte. Ltd. on 15 November 2016 and from 2014 has been the Financial Controller of the Guarantor. As the Financial Controller of the Guarantor, he is tasked with oversight over the Group’s accounts and finance, tax, risk management and corporate administration matters.

Mr Lam graduated from the Nanyang Technological University with a Bachelor of Accountancy and is a Chartered Accountant of Singapore.

Liquidity and Capital Resources

For FY2016, the cash balance of the Issuer increased by S\$105 million from S\$10 million as at 30 September 2015 to S\$115 million as at 30 September 2016.

The increase was mainly due to:

- Net cash outflow from operating activities of S\$996 million resulting primarily from working capital changes; and
- Net cash inflow from financing activities of S\$1,101 million resulting primarily from proceeds from bank borrowings and advances from the Guarantor.

Please also refer to page F-7 of this Offering Circular.

DESCRIPTION OF THE GROUP

HISTORY AND OVERVIEW

The Guarantor was incorporated with limited liability under the laws of the Republic of Singapore on 14 December 1963. The Guarantor was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 9 January 2014. As at the Latest Practicable Date, the Guarantor has 2,905,324,694 issued shares and a market capitalisation of approximately S\$4.7 billion.

The Group is headquartered in Singapore and its principal activities are property development, investment and management of commercial and industrial (“**C&I**”) property, serviced residences, hotels and property trusts. The Group’s property portfolio comprises properties located in Singapore and overseas, ranging from residential developments to shopping malls, office and business space properties, as well as serviced residences and hotels, and C&I properties, as represented by the following three Strategic Business Units (“**SBU**s”) – Singapore (for residential development properties, shopping malls, office and business space properties in Singapore), Australia (for property development, investment in C&I properties, and property management in Australia) and Hospitality (for serviced residences and hotels) as well as an International Business unit for overseas development and investment properties in China, the UK, Vietnam and Thailand.

The Singapore SBU comprises of Frasers Centrepoint Homes and Frasers Centrepoint Commercial. Frasers Centrepoint Homes focuses on residential property development in Singapore. As at 30 September 2016, the Group has built over 17,000 homes in Singapore and five projects under development.

Frasers Centrepoint Commercial manages the Group’s shopping malls in Singapore under the Frasers Centrepoint Malls brand. As at 30 September 2016, the Group manages six shopping malls in Singapore held by Frasers Centrepoint Trust (“**FC**T”), an entity which is listed on the SGX-ST with a market capitalisation of approximately S\$1.8 billion as at the Latest Practicable Date. In addition, the Group also has interests in and/or manages six other shopping malls in Singapore.

Frasers Centrepoint Commercial also manages office and business space properties. As at 30 September 2016, the Group manages six commercial and business space properties in Singapore and Australia held by Frasers Commercial Trust (“**FC**OT”), an entity which is listed on the SGX-ST with a market capitalisation of approximately S\$1.0 billion as at the Latest Practicable Date. In addition, the Group also has interests in four other office properties located in Singapore.

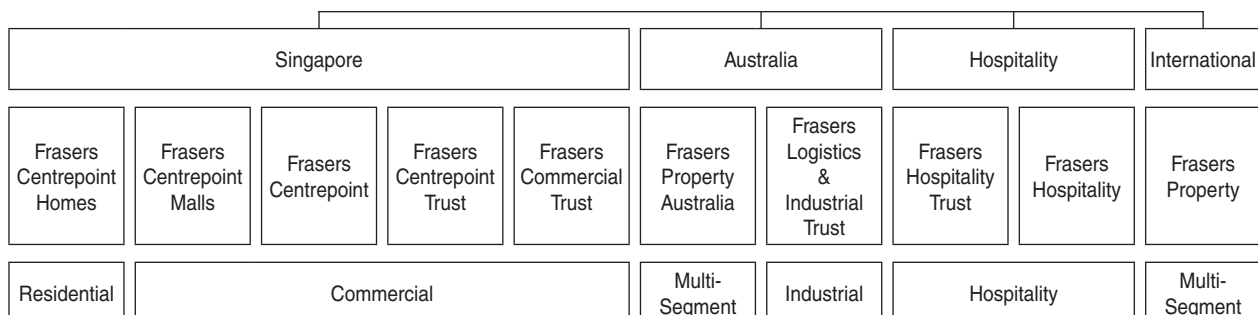
The Australia SBU comprises Frasers Property Australia (“**FPA**”) which is a diversified property group in Australia as well as Frasers Logistics & Industrial Trust (“**FL**T”) an entity which is listed on the SGX-ST with a market capitalisation of approximately S\$1.3 billion as at the Latest Practicable Date. As at 30 September 2016, FPA has a residential pipeline with estimated gross development value (“**GDV**”) of S\$8.8 billion and a C&I and retail pipeline with an estimated GDV of S\$1.9 billion. In addition, FPA also has S\$1.0 billion portfolio of C&I investment properties. As of 30 September 2016, the Group manages 53 logistics and industrial properties in Australia held by FLT.

The Hospitality SBU comprises of Frasers Hospitality and Frasers Hospitality Trust (“**FHT**”). Frasers Hospitality has interests in and/or manages serviced residences under the branded lifestyle offerings of Fraser Suites, Fraser Place, Fraser Residence, Modena by Fraser, Capri by Fraser. Frasers Hospitality also operates two brands of upscale boutique lifestyle hotels, Malmaison and Hotel du Vin. As at 30 September 2016, Frasers Hospitality operated over 15,000 serviced apartments and hotel rooms in more than 80 cities and over 8,400 signed-up serviced apartments pending openings. Based on management contracts secured as at 30 September 2016, Frasers Hospitality is on track to manage 30,000 units by 2019. As at 30 September 2016, the Group manages 14 hotel and serviced residences assets in prime locations across Asia, Australia and Europe held by FHT, an entity which is listed on the SGX-ST with a market capitalisation of approximately S\$1.2 billion as at the Latest Practicable Date.

The International Business unit develops and/or invests in residential, commercial and mixed-use property projects outside of Singapore and Australia, including in China, the UK, Thailand and Vietnam.

STRUCTURE AND ORGANISATION OF THE GROUP

The following diagram shows the structure of the Group as at the Latest Practicable Date:



The Group conducts its operations and holds investments through its subsidiaries, joint venture companies and its listed trusts. As at the Latest Practicable Date, the Group holds 41.6 per cent. of the units in FCT, 27.1 per cent. of the units in FCOT, 22.3 per cent. of the stapled securities in FHT and 20.6 per cent. of the units in FLT.

The following diagram shows the SBUs of the Group as at 30 September 2016:

FRASERS CENTREPOINT LIMITED		
Singapore SBU	Australia SBU	Hospitality SBU
<p>RESIDENTIAL</p> <ul style="list-style-type: none"> Over 17,000 homes built and five projects under development <p>COMMERCIAL – NON-REIT</p> <ul style="list-style-type: none"> Has interests in and/or manages six malls in Singapore Has interests in four office properties in Singapore <p>COMMERCIAL – REIT</p> <ul style="list-style-type: none"> Holds a 41.6%⁽¹⁾ stake in FCT, which owns six suburban malls in Singapore and has a 31.2%⁽¹⁾ stake in Hektar REIT, a retail-focused REIT in Malaysia Holds a 27.1%⁽¹⁾ stake in FCOT, which owns six office and business space properties across Singapore and Australia <p>FEE INCOME</p> <ul style="list-style-type: none"> Asset management and property management fees 	<p>DEVELOPMENT</p> <ul style="list-style-type: none"> A residential pipeline with an estimated GDV of S\$8.8 billion A C&I and retail pipeline with an estimated GDV of S\$1.9 billion <p>INVESTMENT – NON-REIT</p> <ul style="list-style-type: none"> S\$1.0 billion portfolio of C&I investment properties, with high occupancy rates and fixed rental increases <p>INVESTMENT – REIT</p> <ul style="list-style-type: none"> Holds a 20.6%⁽¹⁾ stake in FLT, which owns 53 quality industrial and logistics assets strategically located in major industrial markets in Australia <p>FEE INCOME</p> <ul style="list-style-type: none"> Asset management and property management fees 	<p>NON-REIT</p> <ul style="list-style-type: none"> Has interests and / or operates 101 serviced apartments / hotels across Asia, Australia, Europe, the Middle East, and Africa <p>REIT</p> <ul style="list-style-type: none"> Holds a 22.3%⁽¹⁾ stake in FHT, which owns 14 hotel and serviced residence assets in prime locations across Asia, Australia, and Europe <p>FEE INCOME</p> <ul style="list-style-type: none"> Asset management and property management fees

Note:

(1) As at the Latest Practicable Date.

STRATEGIES

The Group's strategies are geared towards (a) achieving sustainable earnings growth, (b) growing its asset portfolio in a balanced manner, (c) optimising capital productivity and (d) developing synergies with the TCC Group.

Achieving sustainable earnings growth through significant development project pipeline, investment properties and fee income

The Group will continue to seek sustainable earnings growth through the following segments:

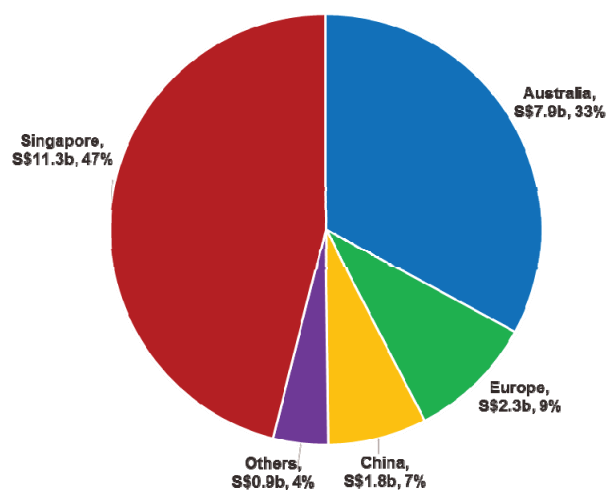
- **Development:** The Group strives to maintain its momentum in delivering its pipeline of development projects in Australia and China. By leveraging on the enlarged FPA platform and continuing to replenish its land bank in a capital-efficient manner, the Group is well poised to see growth in its Australia business whilst continuing to look out for opportunities to grow its presence in China. Its Singapore business remains supported by the earnings from the presold projects and the Group is looking to replenish its Singapore land bank in mass- and mid-market segments. The Group has been selectively and opportunistically entering into secondary markets as well. An initiative on this front is the recent proposed acquisition by the Group of 70.0% of the issued share capital of G Homes House Development Joint Stock Company ("**G Homes**"). Through G Homes, the Group will undertake the development of a residential-cum-commercial project in Vietnam.
- **Commercial, Industrial and Hospitality:** The Group enhances capital productivity through its capital recycling and asset enhancement initiatives. The Group will look to continue injecting pipeline assets into REITs. The Group's listed trusts, comprising of FCT, FCOT, FHT and FLT, have served as proven funding platforms for the Group to divest mature, stable yield retail, commercial, industrial and hospitality assets to pursue new opportunities as they arise. Currently, the Group is on track to manage 30,000 hospitality assets units by 2019. It plans to continue with global growth through management contracts, whilst continuing to explore strategic investment opportunities to grow its portfolio and grow its pipeline of hospitality projects for FHT.

Growing the asset portfolio in a balanced manner across geographies and property segments to preserve stability of earnings

The Group's total assets have grown from S\$6.1 billion as at 30 September 2006 to S\$24.2 billion as at 30 September 2016.

In the years ahead, the Group envisages growing the asset portfolio in a balanced manner, as follows:

- **Balanced asset portfolio across geographies:** As at 30 September 2016, Singapore accounts for 47% of the Group's total assets, while Australia accounts for 33%, Europe accounts for 9% and China accounts for 7%.



The Group's financial performance in FY2016 has validated its strategy to grow its overseas earnings contribution, especially in view of the challenges that the Singapore property market is facing on several fronts. With the acquisition of Australand in 2014, Australia now makes up more than 30% of the Group's total assets. The Group will continue to deepen its presence in Australia and will also look to increase its investments in the secondary markets for long term growth.

In Australia, the Group currently has a platform with scale and has been building on it. Following the integration of Australand, the Group's entire development and investment properties business in Australia now operates under one brand and one management team. Under FPA's new management team, a retail business unit has been introduced to leverage the Group's combined expertise and experience. Leveraging the Group's retail expertise, FPA will now look to retain suitable future retail developments and build a portfolio of retail investment properties to grow recurring income moving forward.

- **Balanced asset portfolio across property segments:** The Group will avoid undue reliance on any specific property segment by maintaining a balanced asset portfolio in residential land bank, retail malls, office and business space, industrial and hospitality properties. It will also diversify its revenues and operating profits across the aforesaid segments. It intends to maintain a good level of contribution from retail malls, office and business space, industrial and hospitality properties to balance off the relatively more volatile nature of residential development earnings.

Optimising capital productivity through REIT platforms and active asset management initiatives

In the course of expanding its global footprint, the Group will seek to optimise capital productivity through several means:

- **Discipline in turning around landbank acquisitions:** The Group will maintain significant discipline in turning around its landbank acquisitions. In Singapore, the gestation period (time from land acquisition to sales launch) for its residential development projects can be as short as seven months. Overseas, the gestation periods can be longer due to differences in planning processes. However, the Group's objective is to minimise the time taken to launch its projects as much as possible.
- **Redevelopment and/or asset enhancement initiatives:** The Group will embark on redevelopment and/or asset enhancement initiatives to upgrade or re-position retail, office, business space, industrial and hospitality properties that it currently owns, with a view to improve tenant mix, customer traffic and/or rental rates.
- **Capital recycling through REIT platform:** Mature properties in the retail, office, business space, hospitality and C&I segments that are producing stable rental yields can be divested to FHT, FCT, FCOT and FLT to recycle capital for new investments and acquisitions which can deliver higher returns on capital employed.
- **Earning management fees without a commensurately large capital outlay:** As the Group grows the number of units in its hospitality business, it will, as far as practicable, seek to enter into management contracts with property owners with a view to earning management fees without a commensurately large capital outlay to build or acquire buildings. As at 30 September 2016, 55.0% of its units are under management and 45.0% are owned. This approach has enabled the Group to establish a global network of over 15,000 rooms in more than 80 cities without having to deploy excessive capital to build or own properties. The emphasis on management contracts has also enabled the Group to expand its network faster than it would otherwise have been able to, had it relied heavily on capital expenditure to buy or build serviced residences.

However, while the Group strives to optimise capital productivity through the above strategies, it may make selected investments and acquisitions of properties if it is of the view that the capital deployed can be justified in terms of synergy and/or future capital appreciation.

Developing synergies with the TCC Group

The largest shareholder of the Guarantor, holding approximately 87.5% of the issued shares of the Guarantor as at the Latest Practicable Date, consists of the companies and entities comprised in the TCC Group which invests in and develops a wide range of real estate projects globally.

The TCC Group is among the largest businesses in Southeast Asia and is engaged in a variety of businesses including real estate. The TCC Group invests in and develops a wide range of real estate projects globally, including hotels, office towers, retail centres, residences, serviced apartments, convention centres, golf courses and resorts.

As TCC Group is a controlling shareholder of the Guarantor, the Group currently enjoys access to the TCC Group's portfolio of assets. The Group intends to develop synergies with the TCC Group and is exploring and evaluating opportunities for asset origination, strategic partnerships and collaboration with the TCC Group.

COMPETITIVE STRENGTHS

Creating value through asset enhancement initiatives

Throughout the years, the Group has created value on its assets through asset enhancement initiatives. For example, the Group has created additional value through asset enhancement initiatives undertaken at Anchorpoint, Northpoint and Causeway Point malls which have contributed to a net value creation of about S\$165 million in the respective initial year post such asset enhancement initiative based on increase in the respective malls' net property income. Asset enhancement initiatives to rejuvenate China Square Central include the addition of 16,000 square metres ("**sq m**") of gross floor area for hotel use. FCOT has entered into a building agreement with FCL in August 2015 for FCL to utilise the additional gross floor area for the development of a 16-storey hotel and commercial project at a consideration of S\$44.8 million. Construction of the hotel building is expected to be completed by mid-2019.

Multi-segment expertise, capability and track record to undertake large-scale mix-used developments

Since developing its first shopping mall, The Centrepoint, in Singapore in 1983, the Group has built a strong reputation in cities such as Singapore, Sydney and Perth, and won numerous awards. Please see the section "*Awards and Accreditations*" for a list of awards which the Group has recently won.

The Guarantor is one of the few international developers with residential, retail and C&I business exposure. Its project design, execution and delivery capabilities of its various businesses are attested to by the technically demanding large-scale projects that it has undertaken and by the awards and accolades the Group has garnered over the years. Consequently, the Guarantor is able to leverage on its experience and capability as a multi-segment real estate developer to secure large-scale and complex mixed-use projects which would otherwise elude those without such expertise. Some examples of its projects are Capri by Fraser, Changi City, One@Changi City and Changi City Point in Singapore and Central Park in Sydney, Australia.

In addition, the Guarantor is a sponsor and manager of four trusts listed on the SGX-ST, namely FCT, FCOT, FHT and FLT, which are focused on retail properties, office and business space properties, serviced residences and hotels and C&I properties respectively. The Guarantor has extensive experience and a long track record in property development (since 1980), property management (since 1983) and investment management (since 2006).

As of the Latest Practicable Date, the Group's diversified portfolio includes residential projects in Singapore, Australia, China, New Zealand, Malaysia, Thailand, Vietnam and the UK, C&I and retail assets comprising retail malls, offices, business space and industrial properties in Singapore, Malaysia, Thailand, Vietnam, China and Australia, hospitality assets in Asia, Australia, Europe, the Middle East and Africa, as well as equity interests in REITs listed in Singapore and Malaysia. Its multi-segment capabilities enable it to participate in and extract value from the entire real estate value chain, encompassing asset origination, project development, leasing, operations and property management.

Well-established in the mid-tier and mass market segments of the private residential property market in Singapore, as one of the top residential developers

The Group is one of the top residential developers in Singapore in terms of market capitalisation. Its residential division in Singapore, Frasers Centrepoint Homes, started in 1993 and has as at 30 September 2016, built over 17,000 homes, with five projects under development (including joint-venture projects). In the private residential property market in Singapore, the Group is well-established in the mid-tier and mass market segments, which have proven to be more resilient over recent economic cycles.

One of the largest retail mall owners and/or operators in Singapore, offering customised solutions across multiple locations

The Group is one of the largest retail mall owners and/or operators in Singapore with a portfolio of 12 urban and suburban malls under management, having a total net lettable area of approximately 2.4 million square feet (“sq ft”), as at 30 September 2016. It has direct interests in five of these malls and another six malls are held through FCT. In addition, it also manages one mall owned by a third party.

The Group’s position as one of the largest retail mall owners and/or operators in Singapore provides it with certain competitive advantages:

- It is able to offer existing and prospective tenants tailored leasing solutions across multiple urban and/or suburban locations, depending on their business needs. Its extensive network of suburban malls allows its retail tenants to tap a large cross-section of the Singapore population in locations that are highly convenient to their homes.
- It enjoys economies of scale in property leasing and operations, and the ability to share best practices across a large portfolio of retail space.

Scalable hospitality operator with an international footprint that cannot be easily replicated

Frasers Hospitality is a scalable hospitality operation with presence in more than 80 cities worldwide, operating over 15,000 serviced apartments and hotel rooms and over 8,400 signed-up serviced apartments pending openings, as at 30 September 2016.

Based on management contracts secured as at 30 September 2016, Frasers Hospitality is on track to manage 30,000 units by 2019.

The value of Frasers Hospitality is set out as follows:

- The international footprint of Frasers Hospitality was achieved through years of painstaking effort, and cannot be easily replicated by new entrants to this sector without significant investment in talent, time and branding. These factors provide the Group with a competitive advantage, having been one of the early movers in the serviced residences industry in Asia.
- Many of the properties managed by Frasers Hospitality are in prime locations which were secured after extensive negotiations with vendors and/or property owners, as the case may be. As prime locations are difficult to secure once a desirable city precinct has matured, the Group’s incumbent position in a sought-after location strengthens its value proposition to guests and sustains the capital values of those properties that it owns.
- The Group’s family of brands is well-recognised by the market and the brands cater to important segments of business travellers in the long-stay and short-stay markets who have differing requirements for luxury, amenities and length of stay. Three of its brands, namely Fraser Suites, Fraser Place and Fraser Residence, have been established for over 10 years, and cater to the extended-stay hospitality market with a range of formats suitable for those staying with or without families. Modena by Fraser and Capri by Fraser, were launched to offer fresh formats for a new generation of travellers whose business and leisure hours have inter-mingled and/or who seek the facilities and services of a deluxe hotel combined with the convenience and extra space of a full serviced residence. The two recently acquired brands, Malmaison and Hotel du Vin, specialise in the conversion and repositioning of heritage buildings, developing a unique collection of premier boutique hotels catering to the upmarket segment of leisure and business travellers.

Established REIT platforms for capital recycling through the divestment of mature, stable-yield assets

The Group's listed trusts, comprising FCT, FCOT, FHT and FLT, have served as proven funding platforms for it to divest mature, stable yield retail and commercial assets, thereby facilitating the recycling of capital which can be redeployed to pursue new opportunities as they arise.

Since the Guarantor's listing by way of introduction on the Main Board of the SGX-ST, as at 30 September 2016, the Group has received gross proceeds totalling approximately S\$3.0 billion from the sale of one (1) retail mall to FCT, one (1) office to FCOT, seven (7) hospitality assets to FHT and 53 Australian industrial properties to FLT. Further capital can be recycled if, and when, the Group divests further properties to its listed trusts.

The Group directly owns retail, office, business space, hospitality and C&I properties with an aggregate book value of over S\$7.0 billion as at 30 September 2016, which could potentially form a pipeline for injection into its trusts in the future.

Visible income sources from pre-sold residential projects, supported by recurring rental and property management income

The Group's residential business is expected to provide visible income while recurring income from its C&I and retail, office and business space and hospitality businesses is expected to contribute to fairly stable cash flows in the next few years:

- **Residential** – As at 30 September 2016, the Group has pre-sold apartments in Singapore, China and Australia which are expected to deliver approximately S\$3.1 billion of revenue over the next few financial years, of which S\$0.7 billion is attributable to Singapore residential pre-sales and S\$2.4 billion is attributable to the China and Australia projects, mainly from Australia's residential pre-sales. Based on its historical residential pre-sales, the Group expects a low level of default from its pre-sales.
- **Retail Malls** – The Group will continue to receive recurring rental and property management income derived from the five retail malls in which it has direct interests, one retail mall in which it has management rights, a recurring REIT management fee from its management of FCT and distribution income through the 41.6 per cent. interest it has in FCT as at the Latest Practicable Date, which owns another six retail malls. FCT recorded growth in net property income in each of the past five financial years, from S\$104.4 million in FY2012 to S\$129.9 million in FY2016, while distributable income rose from S\$82.3 million to S\$108.1 million over the same period. Income from many of the Group's suburban malls remained resilient during recent economic slowdowns owing to many of their tenants' focus on the non-discretionary spending market and dominant presence in their respective catchment areas.
- **Office and Business Space** – The Group will continue to receive recurring rental and property management income derived from the six office and business space properties that it has direct interests in, a recurring REIT management fee from its management of FCOT and distribution income through the 27.1% interest it has in FCOT as at the Latest Practicable Date, which owns another six office and business space properties. FCOT recorded growth in net property income from S\$102.5 million in FY2012 to S\$115.6 million in FY2016, while aggregate income distributable to unitholders and convertible perpetual preferred unitholders rose from S\$61.9 million to S\$77.6 million over the same period.
- **Hospitality** – As at 30 September 2016, the Group received rental income and management fee income derived from serviced residences and hotel residences which it owns and/or manages, a recurring REIT management fee from its management of FHT and distribution income through the 22.3 per cent. interest it has in FHT as at the Latest Practicable Date, which owns 14 hospitality assets. In order to expand its income-generating capacity while conserving capital, over half of the serviced residences it manages are owned by third parties. It generates recurring fee income from the management of such serviced residences.

- **C&I** – As at 30 September 2016, the Group will continue to receive recurring rental and property management income derived from the C&I properties that it has direct interests in, a recurring REIT management fee from its management of FLT and distribution income through the 20.6 per cent. interest it has in FLT as at the Latest Practicable Date, which owns another 53 logistics and industrial properties in Australia.

Backed by a strong sponsor, TCC Group, one of the largest conglomerates in Thailand with businesses across food and beverage (“F&B”), property and financials

The TCC Group is a controlling shareholder of the Guarantor and is one of the largest conglomerates in Thailand with a variety of businesses, including F&B, property and financials. The TCC Group invests in and develops a wide range of real estate projects globally, including hotels, office towers, retail centres, residences, serviced apartments, convention centres, golf courses and resorts.

The Group currently enjoys access to the TCC Group’s portfolio of assets and has begun to evaluate several opportunities for asset origination, strategic partnerships and collaboration. In addition, Mr Charoen Sirivadhanabhakdi and Ms Khunying Wanna Sirivadhanabhakdi, the ultimate controlling shareholders of the TCC Group, have granted the Guarantor a right of first refusal over any opportunity whether by way of sale, investment or otherwise, in relation to (i) any completed income-producing residential, retail, office, business space and mixed use properties, hotels and serviced apartments located anywhere in the world except Thailand, and (ii) any development of residential, retail, office, business space or mixed-use properties located anywhere in the world except Thailand, and the management of hotels and serviced apartments located anywhere in the world except Thailand (the “**Restricted Businesses**”) referred to and/ or made available to the TCC Group from or through any third party sources. This right of first refusal will continue to be effective for so long as the TCC Group remains a controlling shareholder of the Guarantor and the Guarantor continue to be listed on the Main Board of the SGX-ST. They have also granted the Guarantor a right to participate in any bidding process in relation to any opportunity whether by way of sale, investment or otherwise, in respect of any Restricted Businesses, called by the TCC Group.

Experienced board and management team with proven track record

The Group has strong management bench strength in all segments of its property business. Its executive officers have proven track records in acquiring, developing, managing, operating and enhancing properties in the residential, retail, business space, industrial and hospitality segments.

The Group’s offices in each of its principal geographies are staffed by experienced management teams familiar with local markets and regulations, thereby enabling it to compete and respond appropriately in the local business context.

The Group’s employees benefit from a human resource programme and system that are designed to attract, retain and develop qualified individuals. The Group has a dedicated training team within its human resource department in Singapore to take care of the training needs of its employees. Its training programmes encompass the development of both soft and hard skills backed by positive and constructive individual coaching, and feedback with comprehensive policies and procedures to encourage a learning environment. In FY2016, the Group continued to develop and support middle management through the annual Leadership Excellence And Development Programme. Over a course of six months, some 20 middle managers went through a series of customised leadership modules which helped sharpen their mindset and strengthen their commitment to the Group.

THE GROUP’S BUSINESSES

Singapore

Frasers Centrepoint Homes

The Group’s Singapore residential development properties are marketed under the Frasers Centrepoint Homes brand. Frasers Centrepoint Homes is among the top residential developers in Singapore. As at 30 September 2016, the Group has built over 17,000 homes in Singapore and 5 projects under development. The Group aims to deliver homes that have strong location attributes and refined finishings and are attractively priced.

Recent Completed Projects

The following table sets out the recently completed projects of Frasers Centrepoint Homes as at 30 September 2016:

Projects	Effective Share (%)	No. of Units	% of Units Sold
Waterfront Isle ⁽¹⁾	50.0	563	100.0
Twin Waterfalls (EC) ⁽²⁾	80.0	728	100.0
Palm Isles	100.0	430	100.0
Boathouse Residences ⁽³⁾	50.0	494	100.0
Seastrand ⁽⁴⁾	50.0	475	100.0
Twin Fountains (EC) ⁽⁵⁾	70.0	418	99.8
Q Bay Residences ⁽⁶⁾	33.3	632	100.0

Notes:

- (1) Joint venture with Far East Organization (50.0%).
- (2) Joint venture with Keong Hong Construction Pte Ltd (20.0%).
- (3) Joint venture with Far East Civil Engineering (Pte.) Limited (25.0%) and Sekisui House, Ltd. (25.0%).
- (4) Joint venture with F. E. Lakeside Pte. Ltd (50.0%).
- (5) Joint venture with Binjai Holdings Pte. Ltd. (30.0%).
- (6) Joint venture with F.E. Lakeside Pte. Ltd. (33.3%) and Sekisui House, Ltd (33.3%).

Projects under Development

As at 30 September 2016, Frasers Centrepoint Homes has 5 projects with approximately 3,786 units under development, with an unrecognised revenue of S\$0.7 billion. The following table sets out the projects of Frasers Centrepoint Homes under development as at 30 September 2016:

Projects	Effective share (%)	Total No. of Units	% of Units Sold	% Completion	Average selling price (S\$ per square foot ("psf"))	Target completion date
eCO ⁽¹⁾	33.3	750	97.5	93.3	1,294	1Q FY2017
Watertown ⁽²⁾	33.3	992	100.0	85.7	1,170	2Q FY2017
Rivertrees Residences ⁽³⁾	40.0	496	94.4	84.8	1,077	3Q FY2017
North Park Residences	100.0	920	73.2	20.8	1,326	4Q FY2018
Parc Life (EC) ⁽⁴⁾	80.0	628	18.9 ⁽⁵⁾	47.0	781	2Q FY2018

Notes:

- (1) Joint venture with F.E. Lakeside Pte. Ltd. (33.3%) and Sekisui House Singapore Pte. Ltd. (33.3%).
- (2) Joint venture with Far East Civil Engineering (Pte.) Limited (33.3%) and Sekisui House, Ltd. (33.3%).
- (3) Joint venture with Far East Orchard Limited (30.0%) and Sekisui House, Ltd (30.0%).
- (4) Joint venture with KH Capital Pte. Ltd. (20.0%).
- (5) Including options signed.

Singapore Land Bank

As at 30 September 2016, Frasers Centrepoint Homes has a land bank in Singapore with an estimated saleable area of approximately 0.7 million sq ft. The following table sets out the land bank of Frasers Centrepoint Homes for future projects as at 30 September 2016:

Sites	Effective Share (%)	Estimated Total No. of Units	Estimated Saleable Area (million sq ft)	Tenure
Siglap Road ⁽¹⁾	40.0	800-900	0.7	Leasehold

Note:

(1) Joint venture with Sekisui House, Ltd. (40.0%) and KH Capital Pte. Ltd. (20.0%).

Frasers Centrepoint Commercial

Retail Properties (Frasers Centrepoint Malls)

The Group develops and manages retail properties in Singapore. The Group has various interests in and/or manages a portfolio of 12 shopping malls that is based in Singapore under the Frasers Centrepoint Malls brand. As at 30 September 2016, the Group holds six of its property interests in shopping malls through its investment in FCT. As at the Latest Practicable Date, the Group holds 41.6 per cent. of the units in FCT.

FCT is a leading REIT listed on the SGX-ST. FCT currently owns a portfolio of six well-located suburban malls in Singapore valued at approximately S\$2.5 billion as at 30 September 2016. FCT also receives steady investment returns via its 31.2 per cent. stake in Hektar REIT, a Malaysian retail-focused REIT listed on the Main Market of Bursa Malaysia Securities Berhad, as at the Latest Practicable Date. FCT focuses on delivering regular and stable distributions to its unitholders through its investments in quality income-producing retail properties in Singapore and overseas. FCT aims to achieve sustainable rental income growth through active lease management initiatives and to increase its net asset value of its portfolio through asset acquisitions and asset enhancement initiatives.

The following table sets out the shopping malls owned and/or managed by Frasers Centrepoint Commercial as at 30 September 2016:

Properties	Effective interest (%)	Book value (S\$ million)	Net lettable area (sq ft)	Tenure
SINGAPORE: REIT (Frasers Centrepoint Trust)				
Anchorpoint	41.6 ⁽¹⁾	103.0	70,989	Freehold
Bedok Point	41.6 ⁽¹⁾	108.0	82,713	Leasehold
Causeway Point	41.6 ⁽¹⁾	1,143.0	415,792	Leasehold
Northpoint	41.6 ⁽¹⁾	672.0	225,032	Leasehold
YewTee Point	41.6 ⁽¹⁾	172.0	73,670	Leasehold
Changi City Point	41.6 ⁽¹⁾	311.0	207,244	Leasehold
SINGAPORE: Non-REIT retail assets				
Robertson Walk	100.0	126.0	97,045	Leasehold
The Centrepoint	100.0	580.0	307,713	Mixture of freehold and leasehold
Valley Point (Retail)	100.0	50.0	43,216	Leasehold
Eastpoint Mall ⁽²⁾	0	N.A	213,478	N.A
Waterway Point	33.3	1,016.0	371,181	Leasehold
Northpoint City (Retail) ⁽³⁾	100.0	1,142.0	317,614	Leasehold

Notes:

- (1) This refers to the effective interest held by the Group in these properties through its interest in FCT as at the Latest Practicable Date. These properties are wholly-owned by FCT.
- (2) Managed asset.
- (3) Currently under development.

Office and Business Space Properties

The Group develops and manages the office and business space properties and has interests in a portfolio of 10 commercial office properties comprising a net lettable area of over 4.0 million sq ft. The Group holds six of its property interests in commercial office and business space properties through its investment in FCOT. As at the Latest Practicable Date, the Group holds 27.1% of the units in FCOT.

FCOT is a leading commercial REIT listed on the SGX-ST. FCOT currently owns a portfolio of six quality properties offering office and business space located in Singapore and Australia valued at approximately S\$2.0 billion as at 30 September 2016. FCOT seeks to build a strong and balanced portfolio of quality commercial properties, to deliver a stable and sustainable distribution to unitholders and to create value by enhancing and unlocking values of its existing properties through refurbishment and redevelopment. FCOT aims to achieve these objectives via growth through rental reversions, growth through built-in step-up rents, active asset management, asset enhancement and acquisitions.

The following table sets out the office and business space properties owned and/or managed by Frasers Centrepoint Commercial in Singapore and overseas as at 30 September 2016:

Properties	Effective interest (%)	Book value (S\$ million)	Net lettable area (sq ft)	Tenure
SINGAPORE: REIT (Frasers Commercial Trust)				
55 Market Street	27.1 ⁽¹⁾	139.0	71,796	Leasehold
Alexandra Technopark	27.1 ⁽¹⁾	508.0	1,043,891	Leasehold
China Square Central	27.1 ⁽¹⁾	562.5	369,824	Leasehold
SINGAPORE: Non-REIT office/business park asset				
Alexandra Point	100.0	296.0	199,592	Freehold
Valley Point Office Tower	100.0	272.0	183,141	Leasehold
51 Cuppage Road	100.0	400.0	273,591	Leasehold
Frasers Tower ⁽²⁾	100.0	1,113.0	687,499	Leasehold
Overseas: REIT (Frasers Commercial Trust)				
Australia, Canberra – Caroline Chisholm Centre	27.1 ⁽¹⁾	237.0	433,182	Leasehold
Australia, Perth – Central Park ⁽³⁾	13.6 ⁽¹⁾	552.2	712,706	Freehold
Australia, Melbourne – 357 Collins Street	27.1 ⁽¹⁾	266.7	343,616	Freehold

Notes:

- (1) This refers to the effective interest held by the Group in these properties through its interest in FCOT. Save for Central Park Perth, these properties are wholly-owned by FCOT.
- (2) Currently under development.
- (3) FCOT holds a 50.0% interest in Central Park Perth.

Australia

FPA is a diversified property group in Australia. As at 30 September 2016, FPA has a residential pipeline with estimated GDV of S\$8.8 billion and a C&I and retail pipeline with an estimated GDV of S\$1.9 billion. In addition, FPA also has S\$1.0 billion portfolio of C&I investment properties. As of 30 September 2016, the Group manages 53 logistics and industrial properties in Australia held by FLT, an entity which is listed on the SGX-ST since 20 June 2016 with a market capitalisation of approximately S\$1.3 billion as at the Latest Practicable Date.

FLT currently owns a diversified portfolio of 53 logistics and industrial assets in Australia valued at approximately A\$1.7 billion as at 30 September 2016. FLT was established with the investment strategy of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes, whether wholly or partially, as well as such industrial real estate-related assets in connection with the foregoing, with an initial focus on Australia.

The following tables set out the industrial, office and residential properties owned and/or managed by FPA as at 30 September 2016:

Industrial Properties

Properties	State	Effective interest (%)	Book value (A\$ million)	Lettable Area (sq m)
REIT (Frasers Logistics and Industrial Trust)				
18-34 Aylesbury Drive	VIC	20.6 ⁽¹⁾	24.1	21,493
610-638 Heatherton Road	VIC	20.6 ⁽¹⁾	20.8	8,387
49-75 Pacific Drive	VIC	20.6 ⁽¹⁾	29.5	25,163
115-121 South Centre Road	VIC	20.6 ⁽¹⁾	5.6	3,085
96-106 Link Road	VIC	20.6 ⁽¹⁾	24.9	18,599
17-23 Jets Court	VIC	20.6 ⁽¹⁾	8.0	9,869
25-29 Jets Court	VIC	20.6 ⁽¹⁾	11.1	15,544
28-32 Sky Road East	VIC	20.6 ⁽¹⁾	9.5	12,086
38-52 Sky Road East	VIC	20.6 ⁽¹⁾	27.5	46,231
2-46 Douglas Street	VIC	20.6 ⁽¹⁾	21.9	21,803
21-33 South Park Drive	VIC	20.6 ⁽¹⁾	24.3	22,106
22-26 Bam Wine Court	VIC	20.6 ⁽¹⁾	22.9	17,606
16-32 South Park Drive	VIC	20.6 ⁽¹⁾	13.9	12,729
63-79 South Park Drive	VIC	20.6 ⁽¹⁾	15.6	13,963
98-126 South Park Drive	VIC	20.6 ⁽¹⁾	35.0	28,062
77 Atlantic Drive	VIC	20.6 ⁽¹⁾	19.2	15,095
17 Pacific Drive and 170-172 Atlantic Drive	VIC	20.6 ⁽¹⁾	35.8	30,004
78 & 88 Atlantic Drive	VIC	20.6 ⁽¹⁾	17.3	13,495
150-168 Atlantic Drive	VIC	20.6 ⁽¹⁾	35.9	27,272
1-13 & 15-27 Sunline Drive	VIC	20.6 ⁽¹⁾	29.3	26,153
468 Boundary Road	VIC	20.6 ⁽¹⁾	24.8	24,732
42 Sunline Drive	VIC	20.6 ⁽¹⁾	16.7	14,636
2-22 Efficient Drive	VIC	20.6 ⁽¹⁾	42.0	38,335
211A Wellington Road	VIC	20.6 ⁽¹⁾	38.2	7,175

Properties	State	Effective interest (%)	Book value (A\$ million)	Lettable Area (sq m)
REIT (Frasers Logistics and Industrial Trust)				
1 Doriemus Drive	VIC	20.6 ⁽¹⁾	84.9	74,435
111 Indian Drive	VIC	20.6 ⁽¹⁾	32.6	21,660
4 Kangaroo Avenue	NSW	20.6 ⁽¹⁾	74.0	40,543
Lot 5 Kangaroo Avenue	NSW	20.6 ⁽¹⁾	38.5	23,112
Lot 6 Kangaroo Avenue	NSW	20.6 ⁽¹⁾	64.0	41,401
Lot 22 Eucalyptus Place	NSW	20.6 ⁽¹⁾	27.8	16,074
6 Reconciliation Rise	NSW	20.6 ⁽¹⁾	32.9	19,218
8-8A Reconciliation Rise	NSW	20.6 ⁽¹⁾	36.7	22,511
Lot 104 & 105 Springhill Road	NSW	20.6 ⁽¹⁾	26.3	90,661
8 Distribution Place	NSW	20.6 ⁽¹⁾	23.3	12,319
10 Stanton Road	NSW	20.6 ⁽¹⁾	12.6	7,065
99 Station Road	NSW	20.6 ⁽¹⁾	17.0	10,772
80 Hartley Street	NSW	20.6 ⁽¹⁾	64.0	61,281
32 Gibbon Road	NSW	20.6 ⁽¹⁾	39.0	16,625
10 Siltstone Place	QLD	20.6 ⁽¹⁾	14.2	9,797
55-59 Boundary Road	QLD	20.6 ⁽¹⁾	16.1	13,250
57-71 Platinum Street	QLD	20.6 ⁽¹⁾	29.6	19,299
51 Stradbroke Street	QLD	20.6 ⁽¹⁾	23.6	14,916
30 Flint Street	QLD	20.6 ⁽¹⁾	25.0	15,052
286 Queensport Road	QLD	20.6 ⁽¹⁾	36.5	21,531
350 Earnshaw Road	QLD	20.6 ⁽¹⁾	53.8	30,779
99 Sandstone Place	QLD	20.6 ⁽¹⁾	238.7	54,245
99 Shettleston Street	QLD	20.6 ⁽¹⁾	22.6	15,186
Lot 1 Pearson Road	QLD	20.6 ⁽¹⁾	37.0	30,618
5 Butler Boulevard	SA	20.6 ⁽¹⁾	9.0	8,224
18-20 Butler Boulevard	SA	20.6 ⁽¹⁾	7.8	6,991
20-22 Butler Boulevard	SA	20.6 ⁽¹⁾	11.2	11,197
Lot 102 Coghlan Road	SA	20.6 ⁽¹⁾	7.2	6,626
60 Paltridge Road	WA	20.6 ⁽¹⁾	18.2	20,143
Non-REIT Assets				
1 Burilda Close ⁽²⁾	NSW	100.0	58.2	18,848
10 Reconciliation Rise	NSW	100.0	33.6	25,705
8 Stanton Road	NSW	100.0	15.2	10,708
2 Wonderland Drive	NSW	100.0	41.5	29,047
227 Walters Road	NSW	100.0	27.0	17,733
Lot 1, 2 Burilda Close	NSW	100.0	22.5	14,333
23 Scanlon Drive	VIC	100.0	12.8	12,361
1 West Park Drive	VIC	100.0	7.7	10,078

Properties	State	Effective interest (%)	Book value (A\$ million)	Lettable Area (sq m)
Non-REIT Assets				
64 West Park Drive	VIC	100.0	15.8	20,337
89-103 South Park Drive	VIC	100.0	8.9	10,425
57 Efficient Drive	VIC	100.0	21.5	22,840
43 Efficient Drive ⁽³⁾	VIC	100.0	9.7	N.A.
44 Cambridge Street	QLD	100.0	15.3	10,927
Berrinba ⁽³⁾	QLD	100.0	19.4	N.A.

Notes:

- (1) This refers to the effective interest held by the Group in these properties through its interest in FLT as at the Latest Practicable Date. These properties are wholly-owned by FLT.
- (2) FPA entered into a separate call option agreement with FLT for this property which took effect on 20 June 2016, Subsequently, FLT exercised the call option to acquire this property on 30 November 2016.
- (3) Currently under development

Office properties

Properties	State	Effective interest (%)	Book value (A\$ million)	Lettable Area (sq m)
1B Homebush Bay Drive	NSW	100.0	68.6	12,799
1F Homebush Bay Drive	NSW	100.0	107.0	17,644
1D Homebush Bay Drive	NSW	100.0	113.0	17,238
Homebush Bay Drive	NSW	100.0	10.0	1,343
20 Lee Street, Henry Deane Building	NSW	100.0	66.0	9,112
26-30 Lee Street, Gateway Building	NSW	100.0	94.0	12,601
2 Southbank Boulevard	VIC	50.0	221.7	54,921
Freshwater Place, Public Car Park	VIC	100.0	15.5	11,822

Residential projects

Major wholly owned properties

Project	State	Type ⁽¹⁾	Effective interest (%)	Total Lots
Baldivis	WA	Land	100.0	373
Blacktown	NSW	Land and H/MD	100.0	922
Carlton	VIC	H/MD	65.0	212
Chippendale	NSW	HD	100.0	294
Cockburn Central	WA	H/MD	100.0	166
Cranbourne West	VIC	Land	100.0	729
East Perth	WA	HD	100.0	511
Greenvale	VIC	Land	100.0	657
Hamilton	QLD	H/MD	100.0	115

Project	State	Type⁽¹⁾	Effective interest (%)	Total Lots
Hamilton	VIC	H/MD	100.0	240
Hope Island	QLD	Land and H/MD	100.0	543
Kangaroo Point	QLD	HD	100.0	107
Lidcombe	NSW	H/MD	100.0	241
Mandurah	WA	Land	75.0	623
North Coogee	WA	Land	100.0	845
Papamoa	NZ	Land	75.0	313
Park Ridge	QLD	Land	100.0	379
Ryde	NSW	H/MD	100.0	320
Wolli Creek	NSW	HD	100.0	636

Note:

(1) Housing/medium density (“H/MD”) and high density (“HD”).

Major joint arrangements and Project Development Agreements (“PDAs”)

Project	State	Type⁽¹⁾	Effective interest (%)	Total Lots⁽²⁾
Avondale Heights	VIC	H	PDA	135
Baldivis	WA	Land	50.0	1,046
Botany	NSW	H/MD	PDA	251
Campsie	NSW	H/MD	50.0	291
Chippendale	NSW	HD	50.0	491
Clyde North	VIC	Land	50.0/PDA	2,324
Coorparoo	QLD	H/MD	50.0	370
North Coogee	WA	Land	50.0	376
North Ryde	NSW	H/MD	50.0	383
Parkville	VIC	H/MD	50.0	523
Point Cook	VIC	Land	50.0	587
Shell Cove	NSW	Land	50.0	2,905
Sunbury	VIC	Land	PDA	391
Sunshine West	VIC	H/MD	50.0	666
Wallan	VIC	Land	50.0	1,906
Westmeadows	VIC	H/MD	PDA	209
Wolli Creek	NSW	Retail and HD	50.0	324
Yanchep	WA	Land	Management Rights	1,168

Notes:

(1) H/MD and HD.

(2) Includes 100.0% of joint arrangements (i.e. joint operations (“JO”) and joint ventures) and PDAs.

Australia Land Bank

Residential

Project	Effective Share (%)	Estimated Total No. of Units ⁽¹⁾	Estimated Saleable Area (million sq ft)
Edmondson Park	100.0	1,787	1.7
Bahrs Scrub	100.0	1,350	N.A.
Deebling Heights	100.0	962	N.A.
Burwood East	100.0	743	0.9
Hamilton	100.0	501	0.7
Cockburn Central	100.0	356	0.3
Parkville	50.0	291	0.2
Botany	100.0	186	0.2
Greenwood	PDA	138	0.1
Carlton	65.0	137	0.1
North Coogee	50.0	33	N.A.
Queenstown	75.0	30	N.A.
Ryde	100.0	22	0.0
Chippendale	100.0	7	0.0
Wolli Creek	100.0	1	0.2
Warriewood	100.0	1	N.A.

Note:

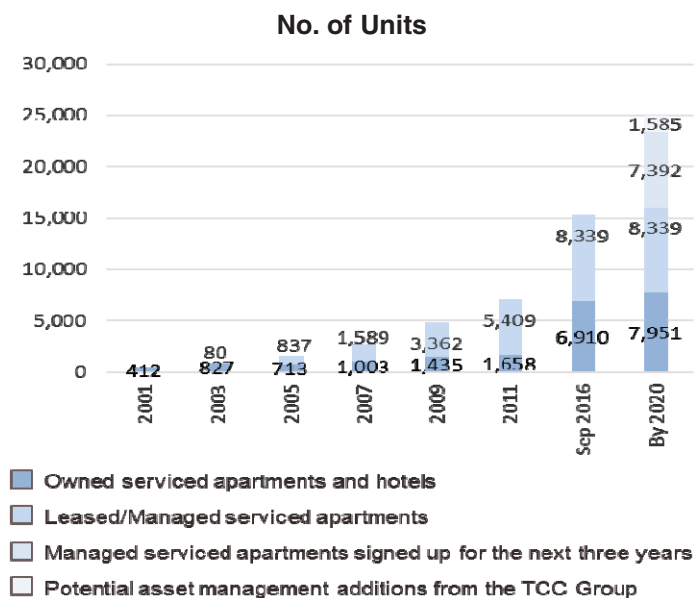
(1) Includes 100.0% of joint arrangements (i.e. JOs and joint ventures) and PDAs.

C&I and Retail

Project	Effective Share (%)	Estimated Saleable Area (million sq ft)	Type
Truganina	100.0	3.4	Industrial
Keysborough	100.0	2.4	Industrial
Yatala	100.0	2.1	Industrial
Eastern Creek	100.0	1.2	Industrial
Chullora	100.0	0.6	Industrial
Horsley Park	PDA	0.5	Industrial
Edmondson Park	100.0	0.4	Retail
Derrimut	100.0	0.4	Industrial
Berrinba	100.0	0.3	Industrial
Eastern Creek	50.0	0.3	Industrial
Burwood East	100.0	0.3	Retail
Richlands	100.0	0.2	Industrial
Macquarie Park	50.0	0.2	Office
Gillman	50.0	0.2	Industrial
Beverly	100.0	0.1	Industrial

Hospitality

Frasers Hospitality, the hospitality arm of the Guarantor, is a global hospitality operator with serviced apartments, hotel residences and boutique lifestyle hotels. From two flagship properties at inception in Singapore in 1998, Frasers Hospitality has expanded to 140 premier properties in Asia, Australia, Middle East, Africa and Europe. As at 30 September 2016, Frasers Hospitality operated over 15,000 serviced apartments and hotel rooms in more than 80 cities and over 8,400 signed-up serviced apartments pending openings. Based on management contracts secured as at 30 September 2016, Frasers Hospitality is on track to manage 30,000 units by 2019. As at 30 September 2016, the Group manages 14 hotel and serviced residences assets in prime locations across Asia, Australia and Europe held by FHT.



Frasers Hospitality aims to be the premier global leader in the extended stay market through the Group's commitment to continuous innovation in answering the unique needs of every customer. Each of Frasers Hospitality's properties are fully-furnished and equipped with kitchen and laundry facilities and complemented by a wide range of high-end hotel services such as regular housekeeping, 24-hour concierge and security, business services as well as complimentary wireless broadband internet connection. Most of Frasers Hospitality's residences also offer a suite of recreational facilities including a 24-hour gymnasium, swimming pool, kids' playroom, steam room and sauna.

Owned Properties

As at 30 September 2016, Frasers Hospitality owns and/or manages the following serviced residences and hotels:

Country	Property	Equity (%)	No. of units	Book value (million)
REIT (Frasers Hospitality Trust)				
Singapore	Intercontinental Singapore	22.3 ⁽¹⁾	406	S\$535.0
	Fraser Suites Singapore	22.3 ⁽¹⁾	255	S\$305.0
Australia	Fraser Suites Sydney	22.3 ⁽¹⁾	201	A\$118.5
	Novotel Rockford Darling Harbour	22.3 ⁽¹⁾	230	A\$82.0
	Sofitel Sydney Wentworth	22.3 ⁽¹⁾	436	A\$262.5
UK	Best Western Cromwell London	22.3 ⁽¹⁾	85	£17.9
	Park International London	22.3 ⁽¹⁾	171	£40.7
	Fraser Place Canary Wharf	22.3 ⁽¹⁾	108	£39.8
	Fraser Suites Queens Gate	22.3 ⁽¹⁾	105	£58.4
	Fraser Suites Edinburgh	22.3 ⁽¹⁾	75	£14.1
	Fraser Suites Glasgow	22.3 ⁽¹⁾	98	£9.8
Germany	Maritim Hotel Dresden	22.3 ⁽¹⁾	328	€58.9
Japan	Ana Crowne Plaza Kobe	22.3 ⁽¹⁾	593	¥14,300.0
Malaysia	The Westin Kuala Lumpur	22.3 ⁽¹⁾	443	RM410.0
Non-REIT Hospitality assets				
Australia	Fraser Suites Perth	100.0	236	A\$115.5
	Fraser Place Melbourne	100.0	112	A\$30.0
	Capri by Fraser, Brisbane	100.0	239	A\$93.2
China	Fraser Suites Beijing	100.0	357	RMB1,200.0
Indonesia	Fraser Residence Sudirman Jakarta	100.0	108	US\$34.3
UK	Fraser Suites Kensington	100.0	70	£119.8
Philippines	Fraser Place Manila	100.0	89	PHP1,587.0
Spain	Capri by Fraser, Barcelona	100.0	97	€19.2
Singapore	Capri by Fraser, Changi City	100.0	313	S\$203.4
	Fraser Place Robertson Walk	100.0	164	S\$210.0
Germany	Capri by Fraser, Frankfurt	100.0	153	€34.5
Properties under development				
Germany	Capri by Fraser, Berlin	100.0	145 ⁽²⁾	N.A.
China	Fraser Suites Dalian	100.0	259 ⁽²⁾	N.A.
Singapore	Capri by Fraser China Square	100.0	306 ⁽²⁾	N.A.
Total No. of Rooms (Owned)			6,182	

Notes:

- (1) This refers to the effective interest held by the Group in these properties through its interest in FHT.
- (2) Estimated number of units.

Properties under Malmaison and Hotel du Vin

As at 30 September 2016, Frasers Hospitality owns and/or manages the following hotels:

Country	Property	Equity (%)	No. of units	Book value (million)
Malmaison and Hotel du Vin Group of Hotels				
UK	Malmaison Aberdeen	0.0	79	£0.0
	Malmaison Belfast	100.0	64	£7.4
	Malmaison Birmingham	0.0	192	£0.0
	Malmaison Dundee	0.0	91	£0.0
	Malmaison Edinburgh	100.0	100	£14.9
	Malmaison Glasgow	100.0	72	£10.5
	Malmaison Leeds	100.0	100	£14.2
	Malmaison Liverpool	100.0	130	£13.9
	London Charterhouse	0.0	97	£0.0
	Malmaison Manchester	0.0	167	£0.0
	Malmaison Newcastle	0.0	122	£0.0
	Malmaison Oxford	0.0	95	£0.0
	Malmaison Reading	100.0	75	£13.2
	Malmaison Brighton	0.0	71	£0.0
	Malmaison Cheltenham	100.0	61	£11.7
	Hotel du Vin Birmingham	100.0	66	£10.1
	Hotel du Vin Brighton	100.0	49	£18.5
	Hotel du Vin Bristol	100.0	40	£12.6
	Hotel du Vin Cambridge	100.0	41	£15.4
	Hotel du Vin Cheltenham	100.0	49	£9.0
	Hotel du Vin Edinburgh	100.0	47	£12.3
	Hotel du Vin Glasgow	100.0	49	£11.5
	Hotel du Vin Harrogate	100.0	48	£7.4
	Hotel du Vin Henley	100.0	43	£9.4
	Hotel du Vin Newcastle	100.0	42	£4.7
	Hotel du Vin Poole	100.0	38	£4.0
	Hotel du Vin St Andrews	100.0	40	£6.5
	Hotel du Vin Tunbridge Wells	100.0	34	£9.1
	Hotel du Vin Wimbledon	100.0	48	£17.4
	Hotel du Vin Winchester	100.0	24	£8.0
Hotel du Vin York	100.0	44	£10.3	
Hotel du Vin AVG Bristol	100.0	75	£12.3	
Hotel du Vin Exeter	100.0	59	£10.4	
Total No. of Rooms (Owned and leased)			2,352	

Properties under Management

As at 30 September 2016, Frasers Hospitality manages the following serviced residences:

Country	Property	No. of units
Bahrain	Fraser Suites Bahrain	90
	Fraser Suites Diplomatic Area Bahrain	114
China	Fraser Place Shekou	232
	Fraser Residence, Shanghai	324
	Fraser Suites, Shanghai	187
	Fraser Residence CBD East, Beijing	223
	Fraser Suites, Nanjing	210
	Modena by Fraser Shanghai Putuo	348
	Fraser Suites Chengdu	360
	Fraser Suites Suzhou	276
	Modena by Fraser Jinjihu Suzhou	237
	Fraser Suites Guangzhou	332
	Modena by Fraser Wuxi New District	120
	Modena by Fraser Wuhan	172
	Fraser Place Tianjin	192
France	Fraser Suites Harmonie, Paris	134
	Fraser Suites Le Claridge, Paris	114
Hungary	Fraser Residence Budapest	51
Indonesia	Fraser Residence Menteng Jakarta	128
	Fraser Place Setiabudi	151
India	Fraser Suites, New Delhi	92
Japan	Fraser Residence Nankai Osaka	114
UK	Fraser Residence Prince of Wales Terrace	18
	Fraser Residence Bishopgate	26
	Fraser Residence Blackfriars	12
	Fraser Residence Monument	14
	Fraser Residence City	22
Malaysia	Fraser Place Kuala Lumpur	295
	Capri by Fraser, Kuala Lumpur	240
	Fraser Residence Kuala Lumpur	446
Qatar	Fraser Suites Doha	138
Singapore	Fraser Residence Orchard	72
South Korea	Fraser Suites Insadong, Seoul	213
	Fraser Place Central, Seoul	271
	Fraser Place Nandaemum	252
Switzerland	Fraser Suites Geneva	67
Thailand	Fraser Suites, Sukhumvit, Bangkok	163
	Modena by Fraser, Bangkok	239
Turkey	Fraser Place Anthill Istanbul	116
	Fraser Place Antasya Istanbul	80
UAE	Fraser Suites Dubai	180
Vietnam	Fraser Suites, Hanoi	185
	Capri by Fraser, Ho Chi Minh City	175
Total No. of Rooms (under Management)		7,425

As a manager for serviced residences, Frasers Hospitality typically enters into a management agreement for each property whereby it is appointed to have control over the operation, direction, management and supervision of the serviced residences. The management of the serviced residences includes carrying out maintenance, upkeep, renovations, marketing and promotion activities.

Frasers Hospitality is typically entitled to a basic management fee based on total revenue for the serviced residence it manages. It may also receive an incentive management fee based on the ratio between the gross operating profit and the total revenue for each property.

Frasers Hospitality Trust

Listed on the Main Board of the SGX-ST since 14 July 2014, FHT is the first global hotel and serviced residence trust to be listed in Singapore, comprising Frasers Hospitality REIT and Frasers Hospitality Business Trust. It was established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, used primarily for hospitality and/or hospitality-related purposes, whether wholly or partially, as well as real estate-related assets in connection to the foregoing.

The FHT portfolio includes six serviced residences, namely Fraser Suites Singapore, Fraser Suites Sydney, Fraser Suites Queens Gate, Fraser Place Canary Wharf, Fraser Suites Glasgow and Fraser Suites Edinburgh.

In addition to the serviced residences, as at 30 September 2016, the portfolio of FHT includes eight hotels across Asia, Australia and Europe. These eight hotels are InterContinental Singapore, Novotel Rockford Darling Harbour, Sofitel Sydney Wentworth, Park International London, Best Western Cromwell London, Maritim Hotel Dresden, ANA Crowne Plaza Kobe and The Westin Kuala Lumpur. FHT's portfolio, comprising the serviced residences and hotels in prime locations across Asia, Australia and Europe, is valued at about S\$2.1 billion as at 30 September 2016. As at the Latest Practicable Date, the Group holds 22.3 per cent. of the stapled securities of FHT. As at the Latest Practicable Date, FHT has a market capitalisation of approximately S\$1.2 billion.

Property Management Business

The Group further derives fee-based income from acting as a REIT manager and property manager to its listed trusts (comprising FCT, FCOT, FHT and FLT). In addition, as at the Latest Practicable Date, the Group holds a 40.0% shareholding interest in Hektar Asset Management Sdn Bhd, the REIT manager for Hektar REIT, which derives fee based income from acting as Hektar REIT's manager.

REIT Manager

As a REIT manager, the Group is responsible for the formulation and execution of asset management strategies for the REIT, managing fund-related matters including financing, tax and regulatory matters, handling investor relations and proactively source properties for acquisitions by the REITs it manages.

The Group focuses on achieving distribution growth to its stakeholders through proactive capital management and asset management, such as repositioning, asset enhancement or active leasing, and by acquiring properties with stable income or potential to generate stable income through proactive asset management. The Group is entitled to REIT management fees, comprising a base component based on a percentage of the deposited property of the REITs, and a variable performance component based on the REIT's net property income.

The Group also receives fees for services connected to the acquisition and divestment of properties by the REITs based on the acquisition or sale price. As the Group generally has interests in the REITs it manages, it is in a position to use its capabilities and expertise to enhance the value of its investments in these REITs. The Group's strategies as a REIT manager for the REITs can generally be categorised as follows:

- actively managing the portfolio of properties in order to maintain high occupancy levels, achieve strong rental growth and maximise net property income;

- selectively acquiring additional retail, commercial, industrial properties as well as hospitality assets, as the case may be, that meet the REIT's investment criteria. Each REIT manager generally seeks to capitalise on opportunities for real estate acquisitions in their respective real estate sectors that provide attractive cash flows and yields, together with the potential for further growth; and
- optimising the capital structure and cost of capital of the REIT by adopting and maintaining an appropriate gearing level and adopting an active interest rate management strategy to optimise unitholders' returns while maintaining operational flexibility for capital expenditure requirements.

Property Manager

As a property manager for the REITs, the Group typically enters into a property management agreement directly with the REIT or the relevant entity owning the asset. The management of the property includes marketing and management services such as operations management and lease management and planning the tenant mix for the property. The Group usually receives fees based on the gross revenue income and net property income of the property. The Group is also responsible for paying fees and expenses to any third party agents or brokers whom it may engage in connection with its leasing activities. As a property manager, the Group is in a position to use its capabilities and expertise to enhance the value of its investments in these REITs.

International

The International Business unit develops and/or invests in residential, commercial and mixed-use property projects outside of Singapore and Australia, including in China, the UK, Thailand and Vietnam.

China: Recent Completed Projects

The following table sets out the recently completed projects of Frasers Property in China as at 30 September 2016:

Projects	Location	Effective Share (%)	No. of Units	% of Units Sold
Baitang One (Phase 3A)	Suzhou	100.0	706	100.0
Chengdu Logistics Hub (Phase 4) ⁽¹⁾⁽³⁾	Chengdu	80.0	358	4.5
Gemdale MegaCity (Phase 2A) ⁽²⁾	Shanghai	45.2	1,065	98.7
Gemdale MegaCity (Phase 2B) ⁽²⁾	Shanghai	45.2	1,134	99.8
Gemdale MegaCity (Phase 3C) ⁽²⁾	Shanghai	45.2	1,446	99.4

Notes:

- (1) Joint venture with Cheung Ho International Limited.
- (2) Joint venture with Power Source Holdings Limited. Gemdale Megacity is accounted as an associate.
- (3) Under Phase 1 of Chengdu Logistics Hub, the Group also has a 80.0% interest in a warehouse which has a book value of RMB202.4 million and net lettable area of 507,468 sq ft.

China: Projects under Development

The following table sets out the projects of Frasers Property in China under development as at 30 September 2016:

Project	Location	Effective Share (%)	Total No. of Units	% of Units Sold	Average selling price (RMB psf)	Target Completion Date
Baitang One (Phase 3C1)	Suzhou	100.0	706	99.7	1,833	1Q FY2017
Gemdale MegaCity (Phase 3B) ⁽¹⁾	Shanghai	45.2	575	97.7	2,470	4Q FY2017
Gemdale MegaCity (Phase 3A) ⁽¹⁾	Shanghai	45.2	278	97.1	3,482	4Q FY2017
Baitang One (Phase 3B)	Suzhou	100.0	380	6.8	3,306	4Q FY2017

Note:

(1) Joint venture with Power Source Holdings Limited. Gemdale Megacity is accounted as an associate.

China: Land Bank

As at 30 September 2016, the Group has a land bank in China with an estimated saleable area of 4.3 million sq ft. The following table sets out the land bank of Frasers Property for development in China as at 30 September 2016:

Site	Location	Effective Share (%)	Estimated Total No. of Units	Estimated Total Saleable Area (million sq ft)
Baitang One (Phase 3C2)	Suzhou	100.0	377	0.5
Chengdu Logistics Park (Phase 2A) ⁽¹⁾	Chengdu	80.0	179	1.0
Gemdale MegaCity (Phase 4-6) ⁽²⁾	Shanghai	45.2	2,192	2.8

Notes:

(1) Joint venture with Cheung Ho International Limited.

(2) Joint venture with Power Source Holdings Limited. Gemdale Megacity is accounted as an associate.

Other Markets

In UK, as at 30 September 2016, the aggregate book value of the Group's development properties held for sale and aggregate land bank, is approximately S\$603 million and the land bank (in terms of estimated saleable area) is approximately 0.3 to 0.4 million sq ft subject to relevant planning approval.

In Thailand, as at 30 September 2016, the Group has a 35.6% interest in Golden Land Property Development Public Company Limited ("**Gold**"). In November 2016, the Group completed the open-market purchase of additional shares in Gold for approximately S\$24.7 million and increased the Group's interest in Gold to 39.9%. Gold, listed on the Stock Exchange of Thailand, is one of Thailand's leading real estate developers engaged in residential and commercial property development, as well as property management and property advisory services, in metropolitan Bangkok.

In addition, the Group also has a proposed strategic investment in Ticon Industrial Connection Public Company Limited (“**Ticon**”) for approximately S\$520 million via a conditional share subscription agreement. As at the Latest Practicable Date, Ticon shareholders have approved the share subscription and granted a whitewash approval to waive the requirement on the Group to make a mandatory tender offer. Ticon, listed on the Stock Exchange of Thailand, is a leading developer and owner of industrial properties in Thailand.

In Vietnam, as at 30 September 2016, the Group has a 75.0% interest in Me Linh Point, Ho Chi Minh City which has a book value of US\$40.5 million and net lettable area of 188,250 sq ft. The Group also entered into a conditional agreement to form a joint venture with An Duong Thao Dien Real Estate Trading Investment Joint Stock Company for approximately S\$21 million to develop a residential-cum-commercial project on a one-hectare prime residential site in Ho Chi Minh City.

CORPORATE GOVERNANCE AND OTHER BUSINESS MATTERS

Internal Control System

The Group maintains a sound system of risk management and internal controls with a view to safeguard its assets and shareholders’ interests.

The Group has adopted an enterprise-wide risk management (“**ERM**”) framework to enhance its risk management capabilities. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Using a comfort matrix of key risks, the material financial, compliance, operational (including information technology) risks of the Group have been documented and presented against strategies, policies, people, processes, systems, mechanisms and reporting processes that have been put in place. Apart from the ERM process, key business risks are thoroughly assessed by the Group’s management and each significant transaction is comprehensively analysed so that the Group’s management understands the risks involved before it is embarked upon.

The Audit Committee (“**AC**”), with the assistance of internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Company’s system of controls, including financial, operational, compliance and information technology controls, established by the Group’s management. In assessing the effectiveness of internal controls, the AC ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

The Board, through the Risk Management Committee (“**RMC**”), reviews the adequacy and effectiveness of the Group’s risk management framework to ensure that robust risk management and mitigating controls are in place. The RMC oversees the risk management framework and policies of the Group. It is responsible for, among other things, reviewing the Group’s risk management strategy, policies, enterprise-wide risk management framework, processes and procedures for identifying, measuring, reporting and mitigating key risks in the Group’s businesses and operations.

Employees

As at 30 September 2016, the Group has over 4,000 employees worldwide. When it comes to human capital management, the Group strives to attract and retain talents and nurture future leaders who are fundamental to its long term success. The Group has a clear commitment to fair employment practices, and each employee receives training and career development opportunities as appropriate. As a responsible corporate citizen, the Group is committed to playing a role in improving the communities within which it operates. The Group adopts fair employment practices, and put significant efforts into the development and holistic wellness of its employees.

Insurance

The Group maintains insurance policies covering its properties in line with general market practice and legal requirements. Where practicable, the Group also maintains certain terrorism, property damage, business interruption and general liability insurance in the various countries in which it operates.

There are, however, certain types of risks (such as risk of war, terrorist acts and losses caused by the outbreak of contagious diseases) which may be uninsurable or which the cost of insurance may be prohibitive. There are also certain types of losses (such as from wars or acts of God) that generally are not insured because they are either uninsurable or not economically insurable.

Legal Proceedings

None of the Issuer, the Guarantor or any of their respective subsidiaries is currently involved in any material litigation nor, to the best of the knowledge of the Directors, are there any material litigation currently contemplated or threatened against the Issuer, the Guarantor or any of their respective subsidiaries.

Corporate Social Responsibility (“CSR”)

As a responsible corporate citizen, the Group is committed to playing a role in improving the communities within which it operates. The Group endeavours to give back to such communities through its CSR efforts and to play a part in their development. CSR initiatives include fundraising, contributing space for events and outreach activities, engaging with our neighbours, supporting the arts and actively participating in community projects. Through this wide range of activities, the Group hopes to address the varied needs of different sectors of the local communities and make a real difference to those who have been key to the Group’s business success.

AWARDS AND ACCREDITATIONS

Some recent accreditations and awards received by the Group from statutory and industry bodies include the following:

CORPORATE

BCI Asia Top 10 Developers Award 2015 – Singapore

- Frasers Centrepoint Limited

SIAS Investors' Choice Awards 2016 – Most Transparent Company Award, Real Estate Category – Runner up

- Frasers Centrepoint Limited

SINGAPORE

RESIDENTIAL

Singapore Landscape Architecture Awards 2015 – Silver Award by Singapore Institute of Landscape Architects

- Boathouse Residences

Singapore Landscape Architecture Awards 2015 – Merit Award by Singapore Institute of Landscape Architects

- Eight Courtyards

FIABCI Singapore Property Awards 2016 – Winner – Residential, Mid Rise category

- The Waterfront Collection

BCA Awards 2016 – Green Mark Gold^{PLUS}

- North Park Residences

BCA Awards 2016 – Construction Excellence - Merit

- Eight Courtyards
- Waterfront Gold

BCA Awards 2016 – Green Mark Certified

- QBay Residences

COMMERCIAL

Special Event Silver Award by Community Chest – Play it Forward – Singapore's Largest Charity Ball Pool

- Frasers Centrepoint Malls

Asia's Best First Time Sustainability Report 2016 - Finalist

- Frasers Commercial Trust

SIAS Investor's Choice Awards 2016 – Most Transparent Company Award, REITS and Business Trusts Category, Runner-up

- Frasers Centrepoint Trust

BCA Awards 2016 – Green Mark Gold^{PLUS}

- Waterway Point

BCA Awards 2016 – Green Mark Gold

- Valley Point

Basic Certification for Water Efficient Building by Public Utilities Board

- Causeway Point
- East Point Mall
- Northpoint Shopping Centre
- The Centrepoint

Outstanding Individual Award – National Safety & Security Watch Group, Singapore Police Force

- Northpoint Shopping Centre

Commendation Award – National Safety & Security Watch Group, Singapore Police Force

- Bedok Point

HOSPITALITY

FRASERS HOSPITALITY

World Travel Award – World's Leading Serviced Apartments Brand 2014 - 2016

- Frasers Hospitality Pte Ltd

World Travel Award – England's Leading Serviced Apartments Brand 2014 - 2016

- Frasers Hospitality Pte Ltd

World Travel Award – Hungary's Leading Serviced Apartments Brand 2013 - 2016

- Frasers Hospitality Pte Ltd

Business Traveller Asia-Pacific Awards 2016 – Best Luxury Serviced Residence Brand

- Frasers Hospitality Pte Ltd

Expatriate Management and Mobility Awards – Corporate Housing Provider of the Year 2016 – Runner up

- Frasers Hospitality Pte Ltd

China Travel & Meeting Industry Awards – Serviced Apartment Provider of the Year

- Frasers Hospitality Pte Ltd

Best Serviced Apartment Operator 2013 - 2016 by Travel Trade Gazette (TTG)

- Frasers Hospitality Pte Ltd

HRM Asia Readers Choice Awards – Best Serviced Apartment Group

- Frasers Hospitality Pte Ltd

Expatriate Management and Mobility Awards – Corporate Housing Provider of the Year 2016 – Highly Commended

- Frasers Hospitality Pte Ltd

World Travel Award – World's Leading Serviced Apartments 2016

- Fraser Suites Kensington, London

World Travel Award – Bahrain's Leading Serviced Apartments 2013 - 2016

- Fraser Suites Bahrain

World Travel Award – Hungary's Leading Serviced Apartments 2013 - 2016

- Fraser Residence Budapest

World Travel Award – Europe’s Leading Serviced Apartments 2016

- Fraser Suites Kensington, London

World Travel Award – England’s Leading Serviced Apartments 2016

- Fraser Suites Kensington, London

Best Smaller Hotel Chain by Business Traveller Awards 2016

- Hotel du Vin

Golden Pillow Award of China’s Hotels 2016 – China’s Best Serviced Residence

- Modena by Fraser Putuo Shanghai

2016 Experts’ Choice Award by TripExpert

- Fraser Place Kuala Lumpur

HRM Asia Readers Choice Awards – Best Business Hotel

- Capri by Fraser, Changi City / Singapore

Australian Hotels Association Awards – Best Apartment/Suite Accommodation Hotel of the Year

- Fraser Suites Perth

Best Apartment/Suite Hotel of the Year by Tourism Accommodation Australia

- Fraser Suites Sydney

Outstanding Serviced Apartment Group by That’s Beijing

- Frasers Hospitality Pte Ltd

Outstanding Experience for Best Host Award Year 2015-16 by TravelGuru.com

- Fraser Suites New Delhi

Luxury Travel Guide Awards – Luxury Apartments of the Year

- Fraser Suites New Delhi

Certificate of Excellence 2016 by Trip Advisor

- Fraser Suites Sydney
- Fraser Suites Perth

- Fraser Suites Singapore
- Fraser Suites Sukhumvit
- Fraser Suites Chengdu
- Fraser Suites Guangzhou
- Fraser Suites Top Glory Shanghai
- Fraser Suites Insadong, Seoul
- Fraser Suites CBD Beijing
- Fraser Suites Seef Bahrain
- Fraser Suites Diplomatic Area Bahrain
- Fraser Suites Dubai
- Fraser Suites Queens Gate
- Fraser Suites Edinburgh
- Fraser Suites Glasgow
- Fraser Suites Harmonie Paris La Defense
- Fraser Suites Le Claridge Champs-Elysees
- Fraser Place Robertson Walk, Singapore
- Fraser Place Kuala Lumpur
- Fraser Place Manila
- Fraser Place Shekou, Shenzhen
- Fraser Place Namdaemun, Seoul
- Fraser Place Central Seoul
- Fraser Place Anthill Istanbul
- Fraser Place Canary Wharf
- Fraser Residence Kuala Lumpur
- Fraser Residence Sudirman Jakarta
- Fraser Residence Menteng Jakarta
- Fraser Residence CBD East Beijing
- Fraser Residence Shanghai
- Fraser Residence Budapest
- Modena by Fraser Zhuankou Wuhan
- Modena by Fraser Putuo Shanghai
- Capri by Fraser, Brisbane / Australia
- Capri by Fraser, Changi City / Singapore
- Capri by Fraser, Kuala Lumpur / Malaysia
- Capri by Fraser, Ho Chi Minh City / Vietnam
- Capri by Fraser, Barcelona / Spain

Travellers’ Choice 2016 by Trip Advisor

- Fraser Suites Singapore
- Fraser Suites Chengdu
- Fraser Place Kuala Lumpur

- Fraser Residence Nankai Osaka
- Fraser Residence Budapest
- Capri by Fraser, Kuala Lumpur / Malaysia

FRASERS HOSPITALITY TRUST

Singapore Corporate Awards 2016 – Best Annual Report, REITS and Business Trusts Category – Merit

- Frasers Hospitality Trust

AUSTRALIA

FRASERS PROPERTY AUSTRALIA

ICSC 2015 Asia Pacific Shopping Center Awards – Sustainability Design (Design & Development) – Gold Medal

- The Ponds Shopping Centre

Lachlan Macquarie Award by 2015 National Architecture Awards

- The Brewery Yard, Central Park

Housing Industry Association NSW Awards 2016 – Best Townhouse/Villa over 10 dwellings

- Squire Terraces at Putney Hill, won by Strongbuild

Master Builders Association of NSW Excellence in Construction Awards – Residential & Mixed-Use \$50-\$100M

- The Steps, Central Park

Master Builders Association of NSW Excellence in Construction Awards – Retail Buildings: New Building \$10-\$20M

- Central Park Mall, Central Park

Master Builders Association of NSW Excellence in Construction Awards – Home Units up to \$300,000

- Figtree, Putney Hill

Master Builders Association of NSW Excellence in Construction Awards – Retail \$20-\$30M

- The Ponds Shopping Centre

2015 Green Globe Awards – Built Environment Sustainability: Commercial Properties – Highly Commended

- The Ponds Shopping Centre

National Energy Efficiency Awards 2015 – Best Commercial Building Efficiency Project – Highly Commended

- The Ponds Shopping Centre

Future Green Leader – Winner by Green Building Council of Australia

- Olivia Leal-Walker

2016 UNESCO Asia-Pacific Awards for Cultural Heritage Conservation – New Design in Heritage Contexts – Winner

- The Brewery Yard

2016 NSW Landscape Architecture Awards – Parks and Open Space

- Fairwater

Urban Development Institute of Australia (UDIA) NSW Awards for Excellence 2016 – Excellence in Residential Development

- Fairwater

Urban Development Institute of Australia (UDIA) NSW Awards for Excellence 2016 – Excellence in Environmental Technology & Sustainability

- Fairwater

Urban Development Institute of Australia (UDIA) NSW Awards for Excellence 2016 – Excellence in Retail Development

- The Ponds Shopping Centre

Urban Development Institute of Australia (UDIA) NSW Awards for Excellence 2016 – Excellence in Mixed-Use Development

- Discovery Point

2016 Chicago Athenaeum International Architecture Awards (Global) – New Buildings and Urban Planning

- The Brewery Yard, Central Park

Good Design Award – Architectural Design, Urban Design & Public Spaces

- Kensington Street, awarded to Turf Design Studio, Jeppe Aagaard Andersen, Tonkin Zulaikha Greer and Paul Davies & Associates

Good Design Award – Architectural Design, Commercial and Residential Architecture

- One Central Park

Asia Hotel Design Awards 2016 – Architecture of the Year

- The Old Clare Hotel, Central Park

Urban Development Institute of Australia National Awards for Excellence 2016 – Masterplanned Development

- Discovery Point

FRASERS LOGISTICS AND INDUSTRIAL TRUST

SIAS Investors' Choice Awards 2016 – Most Transparent Company Award, New Issues Category – Runner-up

- Frasers Logistics and Industrial Trust

INTERNATIONAL CHINA

Sichuan Province Customer Satisfaction Construction Project by Sichuan Province Quality Association

- A-Space World Plot 4B

Sichuan Province Construction Decoration Award by Sichuan Province Construction Industry Association

- A-Space World Plot 3

Jinrong Cup of Chengdu City Construction Decoration Project by Chengdu City Construction Decoration Association

- A-Space World Plot 3

DIRECTORS AND MANAGEMENT

The Directors are entrusted with the responsibility for the Group's overall management. The Directors are required to meet on a quarterly basis at least, or more frequently as required, to review and monitor the Group's operations.

The following table sets forth information regarding the Directors as at the Latest Practicable Date:

Name	Address	Position
Charoen Sirivadhanabhakdi	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Non-Independent Chairman
Khunying Wanna Sirivadhanabhakdi	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Non-Independent Vice Chairman
Panote Sirivadhanabhakdi	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Executive and Non-Independent Director
Charles Mak Ming Ying	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Lead Independent Director
Chan Heng Wing	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Independent Director
Philip Eng Heng Nee	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Independent Director
Wee Joo Yeow	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Independent Director
Weerawong Chittmittrapap	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Independent Director
Chotiphat Bijananda	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Non-Independent Director
Sithichai Chaikriangkrai	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Non-Executive and Non-Independent Director

As at the Latest Practicable Date, none of the Directors is related by blood or marriage to one another nor are they related to any substantial shareholder of the Guarantor, save that Mr Charoen Sirivadhanabhakdi and Ms Khunying Wanna Sirivadhanabhakdi are husband and wife, Mr Panote Sirivadhanabhakdi is their son and Mr Chotiphat Bijananda is son-in-law of Mr Charoen Sirivadhanabhakdi and Ms Khunying Wanna Sirivadhanabhakdi.

Experience and Expertise of the Directors

Information on the business and working experience of the Directors is set out below.

Mr Charoen Sirivadhanabhakdi

Mr Charoen Sirivadhanabhakdi was appointed as Non-Executive and Non-Independent Chairman on 25 October 2013. He is currently the Chairman of several public listed and private companies within the TCC Group, including Thai Beverage Public Company Limited, Beer Thai (1991) Public Company Limited, Red Bull Distillery Group of Companies, TCC Land Co., Ltd., Berli Jucker Public Company Limited, Big C Supercenter Public Company Limited, Fraser and Neave, Limited, South East Group Co., Ltd. and TCC Corporation Limited (formerly named as TCC Holding Co., Ltd.). The TCC Group was established by Mr Charoen and Khunying Wanna Sirivadhanabhakdi in 1960.

Mr Charoen holds an Honorary Doctoral Degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology (Thailand), an Honorary Doctoral Degree in Industrial Technology from Chandrakasem Rajabhat University (Thailand), an Honorary Doctoral Degree in Management from Huachiew Chalermprakiet University (Thailand), an Honorary Doctoral Degree in Business Administration from Eastern Asia University (Thailand), an Honorary Doctor of Philosophy in Business Administration from Mae Fah Luang University (Thailand), an Honorary Doctoral Degree in Management from Rajamangala University of Technology Suvarnabhumi (Thailand), an Honorary Doctoral Degree in International Business Administration from University of the Thai Chamber of Commerce (Thailand), an Honorary Doctoral Degree in Sciences and Food Technology from Rajamangala University of Technology Lanna (Thailand), an Honorary Doctoral Degree in Hospitality Industry and Tourism from Christian University of Thailand (Thailand) and an Honorary Doctorate Degree in Business Administration from Sasin Graduate Institute of Business Administration of Chulalongkorn University (Thailand), and an Honorary Doctoral Degree in Buddhism (Social Work) from Mahachulalongkornrajavidyalaya University (Thailand).

Khunying Wanna Sirivadhanabhakdi

Khunying Wanna Sirivadhanabhakdi was appointed as Non-Executive and Non-Independent Vice Chairman on 7 January 2014. She is also the Vice Chairman of public listed and private companies within the TCC Group including Thai Beverage Public Company Limited, Berli Jucker Public Company Limited, TCC Corporation Limited (formerly named as TCC Holding Co., Ltd.), Fraser and Neave, Limited and Big C Supercenter Public Company Limited. In addition, she is the Chairman of Beer Thip Brewery (1991) Co., Ltd. and Sangsom Group of Companies, which are also within the TCC Group.

Ms Khunying holds an Honorary Doctoral Degree in Bio-technology from Ramkhamhaeng University (Thailand), an Honorary Doctoral Degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology (Thailand) an Honorary Doctoral Degree in Business Administration from Chiang Mai University (Thailand), an Honorary Doctor of Philosophy in Social Sciences from Mae Fah Luang University (Thailand), an Honorary Doctoral Degree from Faculty of Business Administration and Information Technology from Rajamangala University of Technology Tawan-ok (Thailand), an Honorary Doctoral of Philosophy (Business Management) from University of Phayao (Thailand), as well as an Honorary Doctoral degree (Management) from Mahidol University (Thailand)

Mr Panote Sirivadhanabhakdi

Mr Panote was appointed as Non-Executive and Non-Independent Director on 8 March 2013 and has assumed the role as Group Chief Executive Officer on 1 October 2016 following Mr Lim Ee Seng's retirement. He also serves on the boards of various listed companies in Singapore and Thailand, including Berli Jucker Public Company Limited, Frasers Centrepoint Limited, Golden Land Property Development Public Company Limited, Siam Food Products Public Company Limited, Thai Beverage Public Company Limited, Univentures Public Company Limited, as well as private companies such as Frasers Property Australia Pty Limited, Australand Property Limited, Australand Investments Limited, Frasers Property Limited, Frasers Hospitality Asset Management Pte Ltd, Manager of Frasers Hospitality Real Estate Investment Trust, Frasers Hospitality Trust Management Pte Ltd., Manager of Frasers Hospitality Business Trust, Frasers Logistics & Industrial Asset Management Pte Ltd., Manager of Frasers Logistics & Industrial Trust, International Beverage Holdings (China) Limited, International Beverage

Holdings Limited, InterBev (Singapore) Limited, Beer Thip Brewery (1991) Co., Ltd, Sura Bangyikhan Group of Companies, International Beverage Holdings (UK) Limited, Blairmhor Limited and Blairmhor Distillers Limited.

Mr Panote has been a Director of Univentures Public Company Limited since 2007. He was also a Non-Executive Director of Fraser and Neave, Limited from April 2013 to January 2014.

Mr Panote obtained a Bachelor of Science in Manufacturing Engineering from Boston University (USA) in 2000, a Master of Science in Analysis, Design and Management of Information Systems from the London School of Economics and Political Science (UK) in 2005, and Industrial Engineering and Economics from Massachusetts University (USA) in 1997.

Mr Charles Mak Ming Ying

Mr Mak was appointed as Non-Executive and Independent Director on 25 October 2013. He is also the Vice Chairman of Morgan Stanley Asia Pacific and the President of Morgan Stanley International Wealth Management.

Mr Mak began his career with Morgan Stanley in New York in 1980 in the accounting and legal departments. In 1986, he became an Investment Adviser for the Individual Investor Services division, before transferring to Morgan Stanley's Hong Kong office in 1989 where he worked until 1992. In August 2001, Mr Mak became Managing Director and Head of Morgan Stanley Asia Pacific Private Wealth Management. In August 2011, Mr Mak was promoted to President of International Wealth Management, with responsibility for Morgan Stanley's wealth management franchises in Latin America, Europe, Middle East and Asia. In October 2012, he took on the additional responsibility of Vice Chairman, Morgan Stanley Asia Pacific.

Mr Mak received his Bachelor of Business Administration and Master of Business Administration degrees from Pace University in New York City (United States of America).

Mr Chan Heng Wing

Mr Chan was appointed as Non-Executive and Independent Director on 25 October 2013. He is currently Senior Advisor to the Ministry of Foreign Affairs and Singapore's non-resident High Commissioner to Bangladesh. He also serves as Chairman of the Milken Institute Asia Centre and is an independent director of, EC World Asset Management Pte Ltd, Fusang Corp (Labuan), Fusang Family Office Pte Ltd (S), Fusang Family Office Pte Ltd (HK), Fusang Investment Office Pte Ltd (S), Fusang Investment Office Pte Ltd (HK) and Banyan Tree Holdings Ltd., which is listed on the SGX-ST. He is also an independent director of Precious Quay Pte. Ltd. and Precious Treasure Pte Ltd.

Mr Chan began his career as a television producer and thereafter as an executive producer with Radio and Television Singapore, producing documentaries and current affairs programmes. He won several television awards including the Transtel Prize from Germany in 1977 and was awarded the Public Administration Medal (Silver) in 1980.

Mr Chan then joined the Ministry of Foreign Affairs in 1981 where he served in Singapore's Permanent Mission to the United Nations in New York from 1981 to 1985. From 1985 to 1988 he was seconded to the Ministry of Communications and Information (which was later renamed as Ministry of Information and the Arts). Mr Chan then returned to the Ministry of Foreign Affairs from 1989 to 1990 where, as the Director of the Directorate III, he negotiated the establishment of diplomatic relations with China. From 1990 to 1997, he was again seconded to the Ministry of Information and the Arts and was the Press Secretary to then Prime Minister of Singapore, Mr Goh Chok Tong, between 1990 and 1997. From 1993 to 1997, he was concurrently the Director of the Media Division in the Ministry of Information and the Arts.

In 1997, he was appointed Commissioner to Hong Kong, and was subsequently re-designated as Consul-General after Hong Kong's return to China. He was appointed as Singapore's Ambassador to the Kingdom of Thailand from 2002 to 2005 and Consul-General to Shanghai from 2005 to 2008 when he retired from the Ministry of Foreign Affairs.

In 2008, Mr Chan joined Temasek Holdings as its chief representative in China and was primarily responsible for managing Temasek's relationships with foreign governments and private enterprises. He returned to Singapore in July 2010 to hold the appointment of Managing Director for International Relations at Temasek International until October 2011.

Mr Chan graduated from the University of Singapore with Bachelor of Arts (Honours) and Master of Arts in 1969 and 1974 respectively. He obtained a Master of Science in Journalism from the Columbia Graduate School of Journalism, USA in 1974.

Mr Philip Eng Heng Nee

Mr Eng was appointed as Non-Executive and Independent Director on 25 October 2013. He is currently Singapore's non-resident High Commissioner to Canada. He is also Chairman of Frasers Centrepoint Asset Management Ltd and mDR Limited. In addition, Mr Eng is also Commissioner of the PT Adira Dinamika Multi Finance Tbk, and a Director of several local and regional companies including Ezra Holdings Limited, The Hour Glass Limited, Hektar Asset Management Sdn Bhd, Heliconia Capital Management Pte Ltd, KK Women's and Children's Hospital Pte Ltd, NTUC Income, Singapore Health Services Pte Ltd and Vanda 1 Investments Pte. Ltd. Mr Eng was formerly the Director of Ampang Investments Sdn Bhd, Ampang Hotel Sdn Bhd, Asia Pacific Breweries Limited, MCL Land Limited, MSL Properties Sdn Bhd, Sunrise MCL Land Sdn Bhd and Fraser and Neave, Limited and Hup Soon Global Corporation Limited.

Mr Eng began his career in Singapore with Price Waterhouse Singapore from 1972 to 1976. He was the Finance Director of Rank O'Connors from 1976 to 1980 and Company Secretary of Rheen Hume Industries from 1980 to 1982. He joined Jardine Cycle & Carriage Limited in 1982 and was appointed Company Secretary in 1983. In 1985 he assumed responsibilities for the motor operations of the Jardine Cycle & Carriage Group and in 1996 he was appointed Group Managing Director of Jardine Cycle & Carriage Limited with overall responsibility for the Group's businesses throughout the Asia Pacific region. Mr Eng retired as Group Managing Director of Jardine Cycle & Carriage Limited on 28 February 2005. From 2005 to 2011, he served as the non-executive Deputy Chairman of MCL Land Limited.

Mr Eng graduated from the University of New South Wales (Australia) with a Bachelor of Commerce in Accountancy and is an Associate Member of the Institute of Chartered Accountants in Australia.

Mr Wee Joo Yeow

Mr Wee was appointed as Non-Executive and Independent Director on 10 March 2014. He has more than 39 years of corporate banking experience. He is presently a Director of several companies, including, PACC Offshore Services Holdings Ltd, Oversea-Chinese Banking Corporation Limited, and Great Eastern Holdings Limited.

He was Managing Director & Head of Corporate Banking Singapore with United Overseas Bank Ltd until his retirement in June 2013. Prior to that, he was Executive Vice President & Head of Corporate Banking with Overseas Union Bank Ltd, and Head Credit & Marketing with First National Bank of Chicago (Singapore).

Mr Wee holds a Master of Business Administration from New York University, USA and a Bachelor of Business Administration (Honours) from the University of Singapore.

Mr Weerawong Chittmittrapap

Mr Weerawong was appointed as Non-Executive and Independent Director on 25 October 2013. From 1996 to 2008, he was an executive partner at White & Case (Thailand) Ltd., and he was the Chairman of Weerawong, Chinnavat & Peangpanor Ltd, a major law firm in Thailand, since 2009 to 2014. He is a Director of several listed companies in Thailand, namely Berli Jucker Public Company Limited, SCB Life Assurance Public Company Limited, Thai Airways International Public Company Limited, Siam Commercial Bank Public Company Limited, and Bangkok Dusit Medical Services Public Company Limited. Besides his directorships, Mr Weerawong is also Special Lecturer at the Thai Institute of Directors.

Mr Weerawong graduated with an LLB degree from Chulalongkorn University (Thailand), and obtained an LLM degree from the University of Pennsylvania (USA). He is a Thai barrister-at-law, and also the first Thai lawyer to be admitted to the New York State Bar.

Mr Chotiphat Bijananda

Mr Chotiphat was appointed as Non-Executive and Non-Independent Director on 8 March 2013. He is the President of the Southeast Group Co., Ltd. Mr Chotiphat also serves on the boards of Serm Suk Public Company Limited, Golden Land Property Development Public Company Limited, Fraser and Neave, Limited, Big C Supercenter Public Company Limited, Australand Property Limited, Australand Investments Limited, Frasers Property Limited, Frasers Property Australia Pty Limited, TCC Assets Limited and TCC Technology Co., Ltd. He is the Chairman of Executive Board of Southeast Insurance Public Co., Ltd, Southeast Life Insurance Public Co.,Ltd, and Southeast Capital Co.,Ltd, From 2000 to 2007, he was Head of Investment Banking of Deutsche Bank, Bangkok. From 1995 to 2000, he was Head of Corporate Banking Local Corporate Team with JP Morgan Chase, Bangkok/Hong Kong.

Mr Chotiphat graduated with a Master of Business Administration (Finance) from the University of Missouri (USA), as well as a Bachelor of Laws from Thammasat University (Thailand).

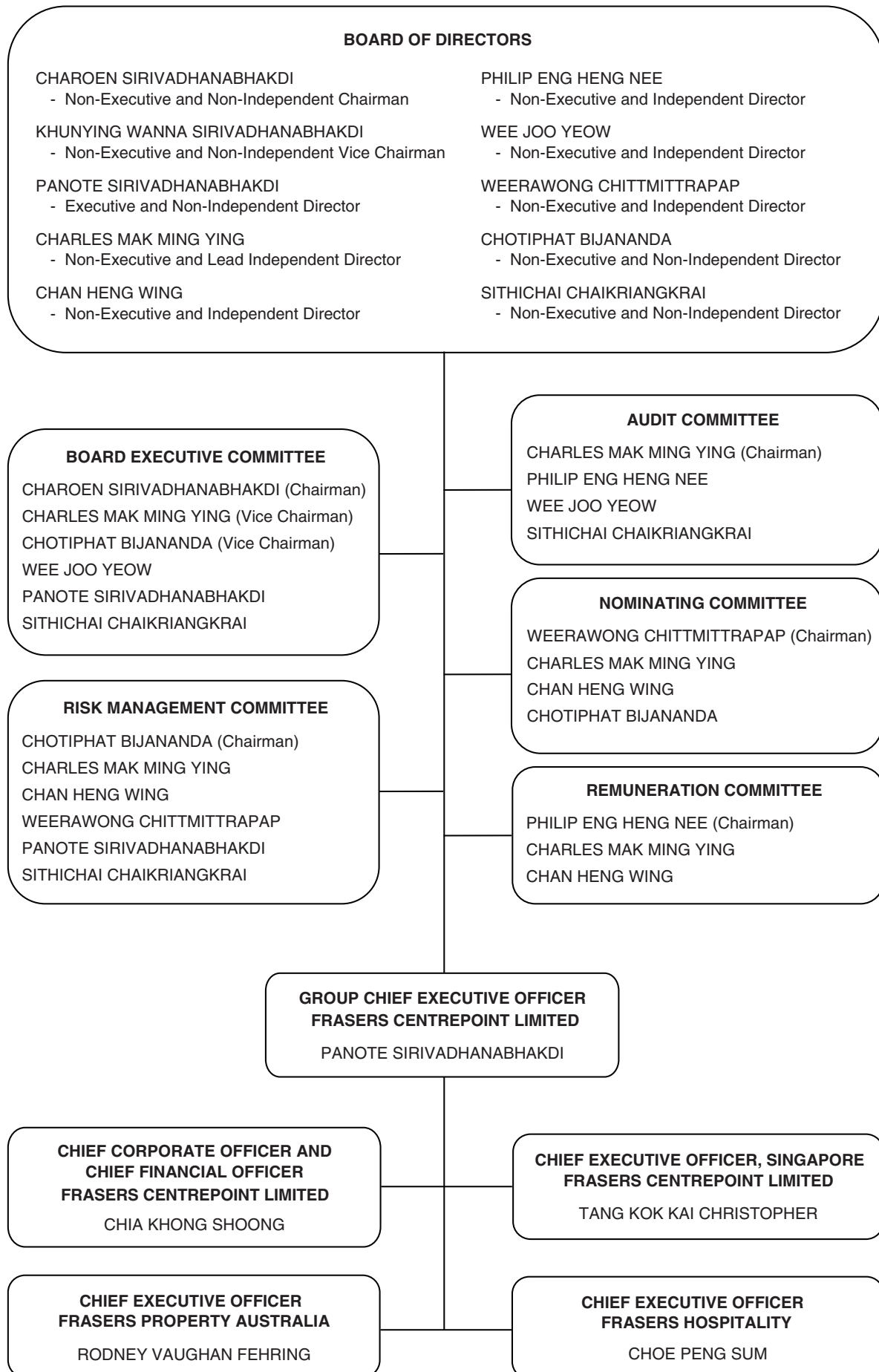
Mr Sithichai Chaikriangkrai

Mr Sithichai was appointed as Non-Executive and Non-Independent Director on 7 August 2013. He sits on the boards of several listed and private companies including Berli Jucker Public Company Limited, Big C Supercenter Public Company Limited, Golden Land Property Development Public Company Limited, Oishi Group Public Company Limited, Serm Suk Public Company Limited, Siam Food Products Public Company Limited, Thai Beverage Public Company Limited, Univentures Public Company Limited, Fraser and Neave, Limited, InterBev Investment Limited International Beverage Holdings Limited, Certain Subsidiaries of Thai Beverage Public Company Limited, Certain Subsidiaries of Berli Jucker Public Company Limited, Certain Subsidiaries of Oishi Group Company Limited, Certain Subsidiaries of Siam Food Products Public Company Limited, and Certain Subsidiaries of Serm Suk Public Company Limited, and is the Chief Financial Officer of Thai Beverage Public Company Limited.

Mr Sithichai has over 30 years of experience in accounting and finance. He served as a Finance and Accounting Manager of Asia Voyages & Pansea Hotel from 1983 to 1990, as a Financial Analyst of Goodyear (Thailand) Co., Ltd. from 1980 to 1983, and as an External Auditor in Coopers & Lybrand from 1977 to 1980.

Mr Sithichai holds a Bachelor of Accountancy (First Class Honours) from Thammasat University (Thailand), and has a Diploma in Computer Management from Chulalongkorn University (Thailand). He also holds a Mini MBA in Leadership Management from Kasetsart University (Thailand).

Management Reporting Structure of the Guarantor



Executive Officers of the Guarantor (the “Executive Officers”)

The Executive Officers are entrusted with the responsibility for the daily operations of the Guarantor.

The following table sets forth information regarding the Executive Officers of the Guarantor.

Name	Address	Position
Panote Sirivadhanabhakdi	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Group Chief Executive Officer, Frasers Centrepoint Limited
Chia Khong Shoong	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Chief Corporate Officer and Chief Financial Officer, Frasers Centrepoint Limited
Tang Kok Kai Christopher	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Chief Executive Officer, Singapore Frasers Centrepoint Limited
Choe Peng Sum	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Chief Executive Officer, Frasers Hospitality
Rodney Vaughan Fehring	c/o 438 Alexandra Road #21-00 Alexandra Point Singapore 119958	Chief Executive Officer, Frasers Property Australia

Experience and Expertise of the Executive Officers

Information on the business and working experiences of the Executive Officers is set forth below:

Mr Panote Sirivadhanabhakdi

Mr Panote was appointed as Group Chief Executive Officer-designate on 6 June 2016 and has assumed the role as Group Chief Executive Officer on 1 October 2016 following Mr Lim Ee Seng's retirement. Please refer to his profile under the sub-section entitled “*Experience and Expertise of the Directors*” above.

Mr Chia Khong Shoong

Mr Chia was appointed as Chief Financial Officer in March 2009, Chief Executive Officer, Australia, New Zealand and the UK in November 2010 and Chief Corporate Officer in July 2016. He joined the Guarantor on 2 March 2009. Prior to joining the Group, Mr Chia was an investment banker with The Hongkong & Shanghai Banking Corporation Ltd from 2004 to 2008 and Citigroup/Salomon Smith Barney from 1996 to 2004, where he was responsible for originating and executing corporate finance and investment banking assignments for corporate clients.

Mr Chia holds a Master of Philosophy (Management Studies) degree from Cambridge University and a Bachelor of Commerce (Accounting and Finance) degree from the University of Western Australia.

Mr Tang Kok Kai Christopher

Mr Tang was appointed as Chief Executive Officer, Greater China, in October 2010 and Chief Executive Officer, Frasers Centrepoint Commercial on 1 October 2006. He joined the Guarantor on 1 April 2001. Mr Tang previously served as the Chief Executive Officer of Frasers Centrepoint Asset Management Ltd, the manager of FCT from 2006 to 2010. Prior to joining the Group, Mr Tang worked in DBS Bank, DBS Land and British Petroleum. Mr Tang holds a Master of Business Administration and a Bachelor of Science from the National University of Singapore.

Mr Choe Peng Sum

Mr Choe was appointed as Chief Executive Officer, Frasers Hospitality in 1998. Mr Choe previously served as the General Manager of Hospitality in Frasers Centrepoint Limited from 1996 to 1998. He joined the Guarantor in 1996. Prior to joining the Group, Mr Choe worked in Portman Shangri-La Hotel, Shanghai and the Shangri-La Hotel, Singapore, having received the Shangri-La scholarship award in 1981. Mr Choe graduated with a Bachelor of Science with Distinction degree from Cornell University, New York, attained the President's Honor Roll from Washington State University and attended the Executive Development Program at the International College of Hospitality Administration, BRIG, Switzerland.

Mr Rodney Vaughan Fehring

Mr Fehring is Chief Executive Officer of Frasers Property Australia. Prior to being appointed CEO in July 2015, Mr Fehring served as Executive General Manager, Residential of the Australand Property Group from March 2010 before it was acquired by Frasers Centrepoint Limited in 2014. His previous appointments also include being the Managing Director & CEO of Lend Lease Primelife Ltd, CEO of Delfin Lend Lease Ltd, Executive General Manager (Vic) of Delfin Group Ltd, Chief Operating Officer, Urban Land Corporation, Victoria and General Manager (Property), Australian Defence Industries. Mr Fehring graduated with a Bachelor of Applied Science from La Trobe University, Australia, holds a diploma in Advanced Management from The Wharton School, University of Pennsylvania, USA and graduate diplomas in Sports Administration from the La Trobe University, Australia and Urban & Regional Planning, RMIT University, Australia.

TAXATION

Singapore taxation

The statements made below are general in nature and are based on the current tax laws in Singapore and administrative guidelines and circulars issued by the relevant authorities in force as at the date of this Offering Circular 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 Singapore tax authorities or the courts may later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentives(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders and prospective holders of the Securities are advised to consult their own professional tax advisers as to the tax consequences of the acquisition, ownership or disposal of the Securities, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer, the Guarantor, the Arrangers nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the acquisition, ownership or disposal of the Securities.

1 Taxation relating to payments on Notes

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 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17.0 per cent. As for non-resident individuals, the current applicable rate is 22.0 per cent. However, if the payment is derived by a person not resident in Singapore and such payment is (aa) not derived from any trade, business, profession or vocation carried on or exercised by such person in Singapore and (bb) not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

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

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

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

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

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

“**prepayment fee**”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

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

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

In addition, as the Programme as a whole is arranged by DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited, each of which is a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) or a Financial Sector Incentive (Capital Market) Company, any tranche of the Notes issued during the period from the date of this Offering Circular to 31 December 2018 (the “**Relevant Notes**”) would, pursuant to the ITA and the Income Tax (Qualifying Debt Securities) Regulations (the “**QDS Regulations**”), be “qualifying debt securities” for the purposes of the ITA, to which the following treatment shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing to the MAS by the Issuer, or such other person as the MAS may direct, of a return on debt securities for that tranche of the Relevant Notes within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Notes as the MAS may require and the inclusion by the Issuer in all offering documents relating to the Notes and such tranche of 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 for “qualifying debt securities” shall not apply if the non-resident person acquires such Relevant Notes using funds from that person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from that tranche of the Relevant Notes, derived by a holder who is not resident in Singapore and (aa) who does not have any permanent establishment in Singapore or (bb) who carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire such tranche of the Relevant Notes are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore income tax;

- (b) subject to certain conditions having been fulfilled (including the furnishing to the MAS by the Issuer, or such other person as the MAS may direct, of a return on debt securities for that tranche of the Relevant Notes within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Notes as the MAS may require, Specified Income from that tranche of the Relevant Notes derived by any company or body of persons (as defined in the ITA), other than any non-resident who qualifies for the tax exemption as described in paragraph (a) above, is subject to income tax at a concessionary rate of 10.0 per cent.; and
- (c) subject to:
 - (i) the Issuer including in all offering documents relating to the Notes and that tranche of the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from such tranche of the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (ii) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for that tranche of the Relevant Notes within such period as the MAS may specify and such other particulars in connection with such tranche of the Relevant Notes as the MAS may require,

Specified Income derived from that tranche of the Relevant Notes is not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

- (a) if during the primary launch of any tranche of the Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such tranche of the Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such tranche of the Relevant Notes would not qualify as “qualifying debt securities”; and
- (b) even though a particular tranche of the Relevant Notes is “qualifying debt securities”, if, at any time during the tenure of such tranche of the Relevant Notes, 50.0 per cent. or more of such tranche of the Relevant Notes which is outstanding at any time during the life of its issue is beneficially held or funded, directly or indirectly, by related parties of the Issuer, Specified Income from such tranche of the Relevant Notes derived by:
 - (i) any related party of the Issuer; or
 - (ii) any other person where the funds used by such person to acquire such tranche of the 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.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from the Relevant Notes by any person who is not tax resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for “qualifying debt securities” should not apply if such person acquires the Relevant Notes with funds from the Singapore operations.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Relevant Notes without deduction or withholding of tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

The 10.0 per cent. concessionary tax rate for “qualifying debt securities” does not apply to persons who have been granted the financial sector incentive (standard tier) status (within the meaning of Section 43N of the ITA).

Under an enhancement to the above “qualifying debt securities” scheme known as the Qualifying Debt Securities Plus Scheme (the “**QDS Plus Scheme**”), subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities in respect of the “qualifying debt securities” within such period as the MAS may specify and such other particulars in connection with the “qualifying debt securities” as the MAS may require), income tax exemption is granted on Specified Income derived by any investor from “qualifying debt securities” (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2018;
- (b) have an original maturity date of not less than 10 years;
- (c)
 - (i) if issued before 28 June 2013, cannot be redeemed, converted, exchanged or called within 10 years from the date of their issue; or
 - (ii) if issued on or after 28 June 2013, cannot have their tenure shortened to less than 10 years from the date of their issue, except under such circumstances as may be prescribed by regulations (see below); and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

Under the QDS Regulations, the circumstances under which the tenure of the “qualifying debt securities” may be shortened to less than 10 years from the date of its issue for purposes of the QDS Plus Scheme are those as a result of any early termination pursuant to an early termination clause which the Issuer has included in any offering document for the “qualifying debt securities” and which falls within the types of early termination clause prescribed in the QDS Regulations. The prescribed types of early termination clause include change in tax law, default event, change of control or change of shareholding and change in listing status of an issuer or trading disruption.

The QDS Regulations also provide that the circumstances under which the tenure of the “qualifying debt securities” may be shortened to less than 10 years from the date of its issue apply only to “qualifying debt securities” which does not contain any call, put, conversion, exchange or similar option that can be triggered at specified dates or at specified prices which have been priced into the value of the “qualifying debt securities” at the time of its issue. “Qualifying debt securities” which contains any such terms or features will not be able to rely on the circumstances under which the tenure may be shortened to less than 10 years to enjoy the tax exemption under the QDS Plus Scheme.

Where the shortening of the tenure of the “qualifying debt securities” to less than 10 years occurs under the circumstances prescribed by the QDS Regulations, the tax exemption under the QDS Plus Scheme shall not apply to Specified Income derived on or after the date on which the tenure of any portion of the “qualifying debt securities” is shortened to less than 10 years from the date of its issue. Holders of any outstanding “qualifying debt securities” may still enjoy the tax benefits under the “qualifying debt securities” scheme, i.e. tax exemption or concessionary rate of tax of 10.0 per cent. as applicable, if the “qualifying debt securities” conditions continue to be met.

In determining an investor’s income that is to be exempted from tax under the QDS Plus Scheme, prescribed conditions apply in relation to how the investor’s losses, expenses and capital allowances which are attributable to exempt income are to be treated.

However, even if a particular tranche of the Relevant Notes is “qualifying debt securities” which qualifies for the QDS Plus Scheme, if, at any time during the tenure of such tranche of the Relevant Notes, 50.0 per cent. or more of the issue of such tranche of the Relevant Notes which is outstanding at any time during the life of its issue is beneficially held or funded, directly or indirectly, by related parties of the Issuer, Specified Income from such tranche of the Relevant Notes derived by:

- (a) any related party of the Issuer; or
- (b) any other person where the funds used by such person to acquire such tranche of the Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

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

2 Taxation relating to payments on Perpetual Securities

Singapore tax classification of hybrid instruments

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments on 19 May 2014 (the “**Hybrid Instruments e-Tax Guide**”) which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

- (a) whether or not a hybrid instrument will be treated as debt or equity security for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;
- (b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

- (i) nature of interest acquired;
 - (ii) investor’s right to participate in the issuer’s business;
 - (iii) voting rights conferred by the instrument;
 - (iv) obligation to repay the principal amount;
 - (v) payout;
 - (vi) investor’s right to enforce payment;
 - (vii) classification by other regulatory authority; and
 - (viii) ranking for repayment in the event of liquidation or dissolution;
- (c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and
 - (d) if a hybrid instrument issued by a company is characterised as an equity instrument for income tax purposes, distributions from the issuer to the investors are regarded as dividends.

Tax treatment if the Perpetual Securities are characterised as debt instruments

In the event that any tranche of the Perpetual Securities is characterised as a debt instrument for Singapore income tax purposes, payment of distributions (including Optional Distributions and any Arrears of Distribution and any Additional Distribution Amount) in respect of such tranche of the Perpetual Securities (hereafter referred to as “**Distributions**”) should be regarded as interest payments and the disclosure under “Taxation relating to payments on Notes – Interest and Other Payments” summarises the income tax treatment that may be applicable on the Distributions. For the purposes of such application, all references to “Notes” and “Relevant Notes” in the disclosure under “Taxation relating to payments on Notes – Interest and Other Payments” shall be construed as references to “Perpetual Securities” and “Relevant Perpetual Securities” and all references to “Specified Income” in the aforesaid disclosure shall include Distributions.

Tax treatment if the Perpetual Securities are characterised as equity instruments

In the event that any tranche of the Perpetual Securities is characterised as an equity instrument for Singapore income tax purposes and the Distributions are to be treated as dividends in the hands of the Perpetual Securityholders, the payment of dividends will not be subject to withholding of tax, irrespective of the profile of the Perpetual Securityholders. Where the Issuer is a tax resident company in Singapore, the amount of such Distributions therefrom will be exempt from Singapore income tax in the hands of the Perpetual Securityholders.

Application for tax ruling

The Issuer may apply to the IRAS for an advance tax ruling to confirm the classification of any tranche of the Perpetual Securities for Singapore income tax purposes and the Singapore tax treatment of the payment of the Distributions.

If such an application is made, the Issuer will provide details of the tax ruling issued by the IRAS on the Guarantor’s website www.fraserscentrepoint.com or via an announcement shortly after the receipt of the tax ruling.

3 Capital gains

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

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from a sale of the Securities will depend on the individual facts and circumstances of the holder and relating to that sale of the Securities.

Holders of the Securities who are adopting or have adopted Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement (“**FRS 39**”) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal. Please see the section below on “Adoption of FRS 39 treatment for Singapore income tax purposes”.

4 Adoption of FRS 39 treatment for Singapore income tax purposes

The IRAS has issued an e-Tax Guide entitled “Income Tax Implications arising from the adoption of FRS 39—Financial Instruments: Recognition and Measurement” (the “**FRS 39 e-Tax Guide**”). Legislative amendments to give effect to the FRS 39 e-Tax Guide have been enacted in Section 34A of the ITA.

The FRS 39 e-Tax Guide and Section 34A of the ITA generally apply, subject to certain “opt-out” provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

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

The Accounting Standards Council has issued a new financial reporting standard for financial instruments, FRS 109 – Financial Instruments, which will become mandatorily effective for annual periods beginning on or after 1 January 2018. The IRAS has issued a consultation paper “Proposed Income Tax Treatment Arising from the Adoption of FRS 109 – Financial Instruments” on 1 July 2016 and the closing date for submission of comments was 1 August 2016. Holders and prospective holders of the Securities should consult their own accounting and tax advisers on the proposed tax treatment to understand the implications and consequences that may be applicable to them.

5 Estate Duty

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

FATCA Withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of these rules to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, is not clear at this time. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to 1 January 2019 and Securities that are not treated as equity for U.S. federal income tax purposes and are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional securities (as described under “Terms and Conditions—Further Issues”) that are not distinguishable from these Securities are issued after the expiration of the grandfather period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered hereby, as subject to withholding under FATCA. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

Securityholders should consult their own tax advisers regarding how these rules may apply to their investment in the Securities.

CLEARANCE AND SETTLEMENT

Bearer Securities

The Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. The Issuer may also apply to have Bearer Securities accepted for clearance through CDP. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security will be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with CDP. Transfers of interests in a Temporary Global Security or a Permanent Global Security will be made in accordance with the normal market debt securities operating procedures of CDP, Euroclear and Clearstream, Luxembourg. Each Global Security will have an International Securities Identification Number (“**ISIN**”) and a Common Code. Investors in Securities of such Series may hold their interests in a Global Security through Euroclear or Clearstream, Luxembourg or CDP, as the case may be.

Registered Securities

The Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Global Certificate. The Issuer may also apply to have Securities represented by a Global Certificate accepted for clearance through CDP. Each Global Certificate will have an ISIN and a Common Code. Investors in Securities of such Series may hold their interests in a Global Certificate only through Euroclear or Clearstream, Luxembourg or CDP, as the case may be.

Individual Certificates

Registration of title to Registered Securities in a name other than a depository or its nominee for Euroclear and Clearstream, Luxembourg or CDP will be permitted only in the circumstances set forth in “Summary of Provisions Relating to the Securities while in Global Form – Exchange”. In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

Clearance and Settlement

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg and CDP (together, the “**Clearing Systems**”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer and the Guarantor believe to be reliable, but none of the Issuer, the Guarantor, the Arrangers, the Trustee, any Agent nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The Clearing Systems

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

Euroclear and 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 accounts of such participants. 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 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 others, 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.

Distributions of principal and interest with respect to book-entry interests in the Securities held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any paying agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant Clearing System's rules and procedures.

CDP

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP. CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

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

Settlement of over-the-counter trades in the Securities through the CDP System may only be effected through certain corporate depositors (the "**Depository Agents**") approved by CDP under the Companies Act, Chapter 50 of Singapore, to maintain securities sub-accounts and to hold the Securities in such securities sub-accounts for themselves and their clients. Accordingly, Securities for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

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

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

Clearing Fees

With effect from 1 June 2014, a clearing fee for the trading of the Securities on the Mainboard of the SGX-ST is payable at the rate of 0.0325 per cent. of the transaction value. The clearing fee may be subject to goods and services tax at the prevailing rate (currently 7.0 per cent.).

The Austraclear System

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. The Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTNs Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

On issue of any AMTNs, the Issuer will (unless otherwise specified in the applicable Pricing Supplement) procure that the AMTNs are lodged with the Austraclear System. On lodgement, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the Austraclear System Regulations, Accountholders may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by the Issuer in respect of AMTNs entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Holding of AMTNs through Euroclear and Clearstream, Luxembourg

Once lodged with the Austraclear System, interests in the AMTNs may be held through Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in the AMTNs in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear, while entitlements in respect of holdings of interests in the AMTNs in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg.

The rights of a holder of interests in AMTNs held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations of Euroclear and Clearstream, Luxembourg, the arrangements between Euroclear and Clearstream, Luxembourg and their respective nominees and the Austraclear System Regulations.

Transfers

Any transfer of AMTNs will be subject to the Corporations Act 2001 of Australia and the other requirements set out in the terms and conditions of the AMTNs and, where the AMTNs are entered in the Austraclear System, the Austraclear System Regulations.

Secondary market sales of AMTNs settled in the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Relationship of Accountholders with Austraclear Australia

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such Securities and will have no claim directly against the Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTNs that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Potential investors in AMTNs should inform themselves of, and satisfy themselves with, the Austraclear System Regulations and (where applicable) the rules of Euroclear and Clearstream, Luxembourg and the arrangements between them and their nominees in the Austraclear System.

AMTNs lodged with the Austraclear System will be transferable only in accordance with the rules and regulations (in force from time to time) of the Austraclear System. The transferor of an AMTN is deemed to remain the holder of such AMTN until the name of the transferee is entered in the register in respect of such AMTN.

TRADING

Application has been made to the SGX-ST for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved.

Please note that any approval in-principle received from the SGX-ST does not extend to offers pursuant to the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures.

If the application to the SGX-ST to list a particular series of Notes (other than Retail Notes) is approved, such Notes listed on the SGX-ST may be traded on the SGX-ST in a board lot size of at least S\$200,000 (or its equivalent in other currencies). Where applicable, Seasoning Notes will initially be offered to Specified Investors only and traded in board lot sizes of at least S\$200,000 (or its equivalent in foreign currency) and higher integral multiples of S\$1,000 (or its equivalent as aforesaid). After the Seasoning Period and receiving confirmation from the SGX-ST that the Notes are eligible for trading by Retail Investors, subject to fulfilment of the applicable conditions and provided the Issuer does not withdraw the Notes from the Seasoning Framework, the Notes will be seasoned and commence trading on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currency). Unless otherwise stated in the Pricing Supplement and where applicable, Straight Notes will be traded on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currencies).

Where applicable, in relation to Post-Seasoning Notes and Straight Notes, upon the listing of and quotation of such Notes on the Main Board of the SGX-ST, the Notes will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. The Notes may also be traded over-the-counter on the Debt Securities Clearing and Settlement System. All dealings in and transactions (including transfers) of the Notes effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time. Copies of the "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited" are available from CDP.

Unless otherwise stated in the relevant Pricing Supplement, in respect of Notes denominated in Singapore dollars and accepted for clearance by CDP, dealings in the Notes will be carried out in Singapore dollars and will be effected for settlement through CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third market day following the transaction date. CDP holds securities on behalf of investors in Securities Accounts.

An investor may open a direct Securities Account with CDP or a securities sub-account with any Depository Agent. A Depository Agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

In addition, in respect of Notes which are accepted for clearance by CDP, the Notes will be represented by a Global Certificate or Global Note registered in the name of, and deposited with, CDP and, except in the limited circumstances described in the provisions of the Global Certificate or Global Note, as the case may be, owners of interests in Notes represented by the Global Certificate, or Global Note as the case may be, will not be entitled to receive Definitive Certificates or Definitive Notes, as the case may be, in respect of their individual holdings of Notes. Accordingly, prospective investors who wish to subscribe for the public offer tranche of Straight Notes and Post-Seasoning Notes must already have, or must open, a Securities Account with CDP directly.

Prospective investors who wish to open a Securities Account with CDP directly must do so personally at CDP's office at 9 North Buona Vista Drive #01-19/20, The Metropolis, Singapore 138588.

Further details can be obtained as follows:

- CDP's hotline at +65 6535 7511, which is available on Mondays to Fridays from 8.30 a.m. to 5.00 p.m. and on Saturdays from 9.00 a.m. to 12.30 p.m. The hotline is not available on Sundays and public holidays; or
- CDP's website at <http://www.cdp.com.sg>.

In respect of Notes which are accepted for clearance by CDP, for so long as the Notes are represented by the Global Certificate or Global Note held through CDP, interest payable on the Notes will be determined based on each Noteholder's aggregate holdings in his direct Securities Account. CDP will credit payments of interest and principal (where applicable) to a Noteholder into the bank account linked to his Securities Account, or send the Noteholder a cheque by ordinary mail if there is no such link. Investors who wish to apply for a bank account to be linked to their Securities Account may submit a completed application form which may be obtained from CDP. Where the Notes are held by an investor in a securities sub-account and/or investment account with a Depository Agent, the investor will have to rely on his Depository Agent to credit his account with interest and principal payments. The Issuer, the Guarantor, the Issuing and Paying Agent, the CDP Paying Agent or any other Agent accept no responsibility for any failure or delay on the part of any Depository Agent in doing so or in respect of the performance of the contractual duties of any Depository Agent to any investor.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 16 January 2017 (the “**Dealer Agreement**”) between the Issuer, the Guarantor, the Arrangers and the Permanent Dealers, as supplemented by the Singapore Supplemental Dealer Agreement (as amended or supplemented as at the Issue Date) dated 16 January 2017 between the same parties, the Securities will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Securities directly on its own behalf to Dealers that are not Permanent Dealers. The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Securities to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Securities subscribed by it. The Issuer has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Securities on a syndicated basis will be stated in the relevant Subscription Agreement. The Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third party commissions (including, without limitation, rebates to private banks as specified in the applicable Subscription Agreement).

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Securities. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Securities in certain circumstances prior to payment for such Securities being made to the Issuer.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuer, the Guarantor and/or their respective 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, the Guarantor and/or their respective affiliates in the ordinary course of their business and receive fees for so acting.

In connection with each Tranche of Securities issued under the Programme, the Dealers or certain of their affiliates may purchase Securities and be allocated Securities for asset management and/or proprietary purposes but not with a view to distribution. Further, any of the Dealers or their respective affiliates may purchase Securities for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Securities and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or affiliates at the same time as the offer and sale of each Tranche of Securities or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Securities to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Securities).

Selling Restrictions

United States

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

Bearer Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a 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 and regulations thereunder.

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

The Securities 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, an offer or sale of any identifiable tranche of Securities within the United States by any dealer (whether or not participating in the offering of such tranche of Securities) may violate the registration requirements of the Securities Act

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Securities outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular 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.

Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (i) if the Pricing Supplement in relation to the Securities specifies that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such offering circular has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, 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 Non-exempt Offer;
- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Securities referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a offering circular pursuant to Article 3 of the Prospectus Directive or supplement a offering circular pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Securities 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 Securities 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 Securities would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) by the Issuer;
- (ii) 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 Securities in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Hong Kong

In relation to each Tranche of Securities issued by the Issuer, each Dealer has represented and agreed that:

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

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular 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 this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Securities to be issued from time to time by the Issuer and/or the Guarantor pursuant to the Programme have not been and will not be circulated or distributed, nor the Securities offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

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

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

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

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

In respect of offers made pursuant to the Exemption Regulations for Post-Seasoning Debentures, each Dealer has acknowledged that this Offering Circular or the relevant Product Highlights Sheet (if any) has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed 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 Offering Circular or any other document or material in connection with the offer or sale (including, without limitation, the relevant Product Highlights Sheet (if any)), or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than in accordance with the conditions specified in the Exemption Regulations for Post-Seasoning Debentures.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Australia

Each Dealer represents, warrants and agrees that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Corporations Act**”)) in relation to the Programme or any Securities has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or the Australian stock exchange operated by ASX Limited (ABN 98 008 624 691) (“**ASX Limited**”). Each Dealer represents and agrees that it:

- (a) has not offered, and will not offer for issue or sale and has not invited, and will not invite applications, for issue, or offers to purchase, the Securities in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive Offering Circular, advertisement or other offering material relating to the Securities in Australia,

unless:

- (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to the investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer or invitation to a “retail client” for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) does not require any document to be lodged with ASIC or ASX Limited.

General

These selling restrictions may be modified by the agreement of the Issuer, the Guarantor and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Securities to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes this Offering Circular, any other offering material, or any Pricing Supplement therefore in all cases at its own expense.

FORM OF PRICING SUPPLEMENT IN RELATION TO NOTES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

FCL Treasury Pte. Ltd.

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]
under the S\$5,000,000,000 Multicurrency Debt Issuance Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Offering Circular dated 16 January 2017 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Offering Circular dated 16 January 2017. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

[The following language applies in the case of Seasoning Notes.]

This Pricing Supplement relates to an offer of Seasoning Notes. The Notes will initially be offered to Specified Investors only and cannot be sold to Retail Investors before the Seasoning Period (as defined below). The Notes may be seasoned for trading by Retail Investors on the Main Board of the SGX-ST six months after the date of listing of the Notes on the SGX-ST (such six-month period, the “**Seasoning Period**”). After the Seasoning Period, new Notes forming the same series as the initial issue of Notes may be offered or sold to or made the subject of an invitation for subscription or purchase by (a) Retail Investors only or (b) Retail Investors, and either Institutional Investors or Relevant Persons, or both pursuant to one or more re-taps.]

[The following language applies in the case of offers of Post-Seasoning Notes.]

This Pricing Supplement relates to a re-tap of Series [●] Notes (originally issued on [date]). The Notes were initially offered to Specified Investors only and have been seasoned and are eligible for trading by Retail Investors on the Main Board of the SGX-ST. The Notes are being offered or sold to or made the subject of an invitation for subscription or purchase by [Retail Investors only/Retail Investors and Institutional Investors only/Retail Investors and Relevant Persons only/Retail Investors, Institutional Investors and Relevant Persons] pursuant to one or more re-taps.]

[The following language applies in the case of an initial offer of Notes to Specified Investors which are intended to be seasoned and the offers of Post-Seasoning Notes.]

As at the date of this document, the Guarantor meets the criteria for exemption under the Exemption Regulations for Post-Seasoning Debentures:

- (i) Listing Test: [●]
- (ii) Size Test: [●]
- (iii) Credit Test: [●]

The Issuer has undertaken to immediately disclose to the SGX-ST information which may have a material effect on the price or value of the Notes or on an investor’s decision whether to trade in the Notes.]

[The following language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.

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 “ITA”), 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 ITA.]

[Insert the following language for an issue of AMTNs

The Notes will be constituted by a deed poll (“**Note (AMTN) Deed Poll**”) dated 16 January 2017 executed by the Issuer and will be issued in certificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Circular dated 16 January 2017 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]

- | | | |
|---|--|---|
| 1 | (i) Issuer: | FCL Treasury Pte. Ltd. |
| | (ii) Guarantor: | Frasers Centrepoint Limited |
| 2 | (i) Series Number: | [●] |
| | [(ii) Tranche Number: | [●] |
| | (If fungible with an existing Series, details of that Series, including the date on which the Notes became fungible.)] | |
| 3 | Currency or Currencies: | [●] |
| 4 | Aggregate Principal Amount: | |
| | (i) Series: | [●] |
| | (ii) [Tranche: | [●]] |
| 5 | (i) Issue Price: | [●] per cent. of the Aggregate Nominal Amount |
| | | [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] |
| | (ii) Net Proceeds: | [●] |

6	(i) Denomination Amount:	[●] ¹
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[Specify/Issue date/Not Applicable]
	(iii) First Call Date:	[Specify/Not Applicable]
8	Negative Pledge:	[Not Applicable/Condition 4(a) applies/Condition 4(b) applies]
9	Maturity Date:	[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year] ²
10	Interest Basis:	[[●] per cent. Fixed Rate [[specify reference rate] +/- [●] per cent. Floating Rate] [Variable Rate] [Hybrid] [Zero Coupon] [Other (specify)] (further particulars specified below)
11	Redemption/Payment Basis:	[Redemption at par] [For Credit Linked Note – see schedule attached (full details of Credit Linked Notes to be inserted in a schedule)] [Other (specify)]
12	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]
13	Change of Interest or Redemption/ Payment Basis:	[Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]
14	Put/Call Options:	[Issuer's Redemption Option] [Securityholders' Redemption Option] [Redemption for Taxation Reasons] [(further particulars specified below)]
15	Status of the Notes:	Senior
16	Listing and admission to trading:	[●] (specify)/None]

1 If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 plus integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]".

Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

If the Notes are AMTNs insert the following: "Subject to the requirement that the amount payable by each person who subscribed for the Notes must be at least A\$500,000 (disregarding monies lent by the Issuer or its associates)."

2 Note that Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option.

17 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18 Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Rate: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]

(ii) Interest Payment Date(s): [●] in each year [*adjusted in accordance with [specify Business Day Convention]/[not adjusted]*]

(iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount³

(iv) Initial Broken Amount: [●]

(v) Final Broken Amount: [●]

(vi) Day Count Fraction: [30/30E/360/Actual/Actual(ICMA/ISDA)/RBA Bond Basis/other]

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]

19 Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph.)

(i) Redemption Month [●]

(ii) Specified Number of Months (Interest Period) [●]

(iii) Specified Interest Payment Dates: [●]

(iv) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]

(v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/ other (*give details*)]

(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]

3 For Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong Dollar denominated Fixed Rate Notes, being rounded upwards".

(vii) Screen Rate Determination:

- Reference Rate: [●]
(Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other)
- Interest Determination Date(s): [●]
(the day falling two Business Days in London for the Currency prior to the first day of such Interest Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Interest Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Interest Period if the Currency is euro)
- Relevant Screen Page: [●]
[(In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]

(viii) ISDA Determination:

- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- ISDA Definitions: 2006 (if different to those set out in the Conditions, please specify)

(ix) Benchmark: [LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]

(x) Reference Banks: [Specify three]

(xi) Relevant Time: [●]

(xii) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]

(xiii) Margin(s): [+/-][●] per cent. per annum

(xiv) Minimum Rate of Interest: [●] per cent. per annum

(xv) Maximum Rate of Interest: [●] per cent. per annum

(xvi) Day Count Fraction: [●]

(xvii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]

20	Variable Rate Note Provisions:	<p>[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p>
	(i) Redemption Month:	[Month and year]
	(ii) Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period
	(iii) Day Count Fraction:	[●]
	(iv) Specified Number of Months (Interest Period):	[●]
	(v) Specified Interest Payment Dates:	[●]
	(vi) Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other <i>(give details)</i>]
	(vii) Benchmark:	[SIBOR, Swap Rate or other benchmark]
	(viii) Primary Source:	[Specify relevant screen page or “Reference Banks”]
	(ix) Reference Banks:	[Specify three]
	(x) Relevant Time:	[●]
	(xi) Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
	(xii) Spread:	[+/-] [●] per cent. per annum
	(xiii) Minimum Rate of Interest:	[●] per cent. per annum
	(xiv) Maximum Rate of Interest:	[●] per cent. per annum
21	Hybrid Note Provisions:	<p>[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p>
	(i) Fixed Rate Period:	[●]
	(ii) Floating Rate Period:	[●]
	(iii) Maturity Date:	[●]
	(iv) Redemption Month:	[Month and year]
	(v) Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period
	(vi) Day Count Fraction:	[●]

- (vii) Interest Payment Date(s): [●]
 - (viii) Initial Broken Amount: [●]
 - (ix) Final Broken Amount: [●]
 - (x) Interest Rate: [●] per cent. per annum
 - (xi) Specified Number of Months (Interest Period): [●]
 - (xii) Specified Interest Payment Dates: [●]
 - (xiii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]
 - (xiv) Benchmark: [SIBOR, SWAP RATE or other benchmark]
 - (xv) Primary Source: [specify relevant screen page or “Reference Banks”]
 - (xvi) Relevant Time: [●]
 - (xvii) Relevant Financial Centre: [The financial centre most closely connected to the Benchmark – specify if not Singapore]
 - (xviii) Reference Banks: [specify three]
 - (xix) Spread: [+/-] [●] per cent. per annum
 - (xx) Minimum Rate of Interest: [●] per cent. per annum
 - (xxi) Maximum Rate of Interest: [●] per cent. per annum
 - (xxii) 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: [●]
- 22 Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. per annum
 - (ii) Any other formula/basis of determining amount payable: [●]
 - (iii) Day Count Fraction: [●]
 - (iv) Any amount payable under Condition 7(h) (Default interest on the Notes): [●]

PROVISIONS RELATING TO REDEMPTION

- 23 Issuer's Redemption Option [Applicable/Not Applicable]
Issuer's Redemption Option Period [Specify maximum and minimum number of days for
(Condition 6(b)): notice period] [Specify Dates]
- 24 Securityholders' Redemption Option [Yes/No]
Securityholders' Redemption Option [Specify maximum and minimum number of days for
Period (Condition 6(c)): notice period] [Specify Dates]
- 25 Redemption for Taxation Reasons: [Yes/No]
(Condition 6(d)): [on [insert other dates of redemption not on interest
payment dates]]
- 26 Redemption Amount of each Note: [●] per Calculation Amount
- 27 Early Redemption Amount:
- (i) Early Redemption Amount(s) per [●]
Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 28 Form of Notes: [Bearer Notes/Registered Notes]
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] (*For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof*)
- [Permanent Global Note/Global Certificate exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note/Global Certificate]
- (N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*

If the Notes are AMTNs insert the following:

[The Notes are AMTNs as referred to in the Offering Circular and will be issued in registered certificated form, constituted by the Note (AMTN) Deed Poll and take the form of entries on a register to be maintained by the Australian Agent (as defined below). Copies of the Note (AMTN) Deed Poll are available from the Australian Agent at its principal office in Sydney.]

[Definitive Notes]

- | | | |
|----|---|---|
| 29 | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. If yes, <i>give details</i>] |
| 30 | Redenomination, renominatisation and reconventioning provisions: | [Not Applicable/The provisions [annexed to this Pricing Supplement] apply] |
| 31 | Consolidation provisions: | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 32 | Private Banking Rebate: | [Applicable/Not Applicable] |
| 33 | Use of Proceeds | [As per the Offering Circular/ <i>give details</i>] |
| 34 | Other terms or special conditions: | [Not Applicable/ <i>give details</i>] |

DISTRIBUTION

- | | | |
|----|---------------------------------------|--|
| 35 | (i) If syndicated, names of Managers: | [Not Applicable/ <i>give name</i>] |
| | (ii) Stabilising Manager (if any): | [Not Applicable/ <i>give name</i>] |
| 36 | If non-syndicated, name of Dealer: | [Not Applicable/ <i>give name</i>] |
| 37 | U.S. selling restrictions: | [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Notes are being offered and sold only in accordance with Regulation S. |
| 38 | Additional selling restrictions: | [Not Applicable/ <i>give details</i>] |

OPERATIONAL INFORMATION

- | | | |
|----|--|--|
| 39 | ISIN Code: | [●] |
| 40 | Common Code: | [●] |
| 41 | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg, the Austraclear System or CDP and the relevant identification number(s): | [Not Applicable/ <i>give name(s) and number(s)</i>] |
| 42 | Delivery: | Delivery [against/free of] payment |
| 43 | Additional Paying Agent(s) (if any): | [<i>If the Notes are AMTNs, insert the following:</i> |

BTA Institutional Services Australia Limited (ABN 48 002 916 396) has been appointed under the Agency and Registry Services Agreement dated 16 January 2017 as issuing and paying agent and registrar (“**Australian Agent**”) in respect of the Notes. The Australian Agent’s address is Level 2, 1 Bligh Street, Sydney NSW 2000, Australia]

GENERAL

- 44 Applicable governing document: [Trust Deed dated 16 January 2017]
[Singapore Supplemental Trust Deed dated 16 January 2017]
[Singapore Retail Supplemental Trust Deed dated [●] made between the Issuer, the Guarantor and [Retail Trustee] as trustee of the Retail Notes and the Retail Agency Agreement dated [●] made between the Issuer, the Guarantor, [Retail Agent] as retail agent and [Retail Trustee] as trustee of the Retail Notes]
- 45 The aggregate principal amount of Notes in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of: [Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
- 46 In the case of Registered Notes, specify the location of the office of the Registrar if other than [Luxembourg/Singapore]: [●]
- 47 In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]: [●]
- 48 Ratings: The Notes to be issued are unrated.
- 49 Governing Law: [English law/Singapore law/The law of New South Wales, Australia]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Notes described herein pursuant to the S\$5,000,000,000 Multicurrency Debt Issuance Programme of FCL Treasury Pte. Ltd.

[STABILISATION

In connection with this issue, [insert name of Stabilising Manager] (the “**Stabilising Manager**”) (or persons acting on behalf of any Stabilising Manager) 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 (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.⁴

4 To include other than for Retail Notes.

INVESTMENT CONSIDERATIONS

There are significant risks associated with the Notes including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

RESPONSIBILITY

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of FCL Treasury Pte. Ltd.:

By: _____
Duly authorised

Signed on behalf of Frasers Centrepoint Limited:

By: _____
Duly authorised

Appendix A – Other Terms

[This Appendix is applicable only in the case of offers of Post-Seasoning Notes.]

Offer: The Issuer will offer and issue [up to] [S]\$(●) in aggregate principal amount of Notes pursuant to the Public Offer and Placement (each as defined below),

provided that:

- 1 the Issuer shall not be under any obligation to issue any Notes if the Allocation Condition is not satisfied;

“**Allocation Condition**” means that no Note shall be issued unless the total of (i) the value of the Notes to be issued to Retail Investors and (ii) the value, as at the date of issue, of Notes previously issued to Retail Investors through re-taps (if any), does not exceed 50% of the total value, as at the date of issue, of the Notes initially offered to Specified Investors only (excluding Notes issued to the Dealers for their own accounts).

- 2 [the Issuer shall not be under any obligation to issue any Notes if the aggregate principal amount of the Notes for which subscriptions have been received (whether pursuant to the Public Offer or the Placement) is less than [S]\$(●) (the “**Right to Cancel**”).]

- 3 [subject to the Allocation Condition, in the event of oversubscription in the Public Offer and/or the Placement, the Issuer and the Guarantor may, at their discretion, and prior to the Issue Date (i) increase the issue size of the Notes under the Public Offer and/or the Placement and (ii) determine the final allocation of such oversubscription between the Public Offer and the Placement, such that the maximum issue size under the Public Offer and the Placement shall not exceed [S]\$(●) in aggregate principal amount of the Notes (the “**Upsize Option**”).]

- 4 [subject to the Allocation Condition, the Issuer and the Guarantor may, at their discretion, re-allocate the aggregate principal amount of Notes offered between the Public Offer and the Placement (the “**Re-allocation**”).]

The actual aggregate principal amount of the Notes to be allocated between the Public Offer and the Placement (if any) will be finalised on or prior to the Issue Date. Unless indicated otherwise, all information in the Offering Circular and this Pricing Supplement assumes that no Notes have been re-allocated between the Public Offer and the Placement.]

Public Offer: The offering of [up to] [S]\$(●) in aggregate principal amount of Notes at the Issue Price to Retail Investors in Singapore through Electronic Applications[, subject to the Right to Cancel, the Re-allocation and the Upsize Option described in “Offer” above].

Placement: The offering of [up to] [S]\$(●) in aggregate principal amount of Notes at the Issue Price to institutional and other investors[, subject to the Right to Cancel, the Re-allocation and the Upsize Option described in “Offer” above].

Application and Payment Procedures:

Applications for Notes offered through the Public Offer must be made by way of Electronic Applications. Applications for Notes offered through the Placement may only be made directly through the Dealers who will determine, at their discretion, the manner and method for applications under the Placement.

The Notes will be issued in minimum denominations of [S]\$1,000 and integral multiples of [S]\$1,000 in excess thereof. An application for the Notes is subject to a minimum of (1) [S]\$(●) in aggregate principal amount of Notes per application under the Public Offer, and (2) [S]\$(●) in aggregate principal amount of Notes per application under the Placement, or, in each case, higher amounts in integral multiples of [S]\$1,000 thereof.

The Issuer, the Guarantor and the Dealer[s] reserve the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on their decision will be entertained. This right applies to all applications for the Notes.

Applications for Notes under the Public Offer may be made from [●] [a.m./p.m.] on [insert date] to [●] [a.m./p.m.] on [insert date] (or such other time(s) and date(s) as the Issuer and the Guarantor may, at their absolute discretion, and with the approval of the SGX-ST (if required) decide). See “Expected Timetable of Key Events” below for more details.

Prospective investors applying for Notes under the Public Offer must do so by way of Electronic Applications and follow the application procedures set out in “Terms and Conditions for Electronic Applications” in Appendix B of this Pricing Supplement.

Prospective investors applying for the Notes under the Placement must contact the Dealers directly.

Participating Banks:

[insert Participating Banks]

Expenses charged to subscriber:

The expenses incurred in connection with the offer of the Notes will not be specifically charged to subscribers for the Notes.

For each ATM Electronic Application made through the ATMs of [insert Participating Banks], a non-refundable administrative fee of [insert administrative fee(s)] respectively will be incurred at the point of application.

For each Internet Electronic Application made through the internet banking websites of [insert Participating Banks], a non-refundable administrative fee of [insert administrative fee(s)] respectively will be incurred at the point of application. For each mBanking Electronic Application made through the mobile banking interface of [[insert relevant Participating Bank(s)].], a non-refundable administrative fee of [insert administrative fee(s)] will be incurred at the point of application.

Eligibility under CPF Investment Scheme:

The Notes [are / are not] eligible for inclusion under the CPFIS-OA. Accordingly, prospective investors who are members of the CPF in Singapore [CAN / CANNOT] use their CPFIS-OA savings to apply for the Notes or to purchase the Notes from the market thereafter.

Eligibility under Supplementary Retirement Scheme: Prospective investors CANNOT use their SRS Funds to apply for the initial offer of the Notes. They may however use their SRS Funds to purchase the Notes from the market after the completion of the offer and the listing of the Notes on the SGX-ST. Investors with SRS accounts should therefore consult their stockbrokers and the relevant banks in which they hold their SRS accounts if they wish to purchase the Notes from the market using SRS Funds.

Estimated proceeds from the offer: [The gross proceeds from the offer of the Notes will be [S]\$(●).]
[In the event that the maximum issue size of [S]\$(●) million in aggregate principal amount of Notes is issued, the gross proceeds from the offer will be [S]\$(●).]

Use of proceeds: [state use of proceeds]

Ratings: [●]

EXPECTED TIMETABLE OF KEY EVENTS

Announcement on SGXNET of the Offering Circular, the Pricing Supplement and Product Highlights Sheet: [date]

Opening date and time for applications for the Notes under the Public Offer [and the Placement]: [date] at [time]

Last date and time for applications for the Notes under the Public Offer [and the Placement]: [date] at [time]

Balloting of applications under the Public Offer, if necessary (in the event of an oversubscription of the Notes under the Public Offer). Commence returning or refunding application moneys to unsuccessful or partially successful applicants: [date]

Expected Issue Date: [date]

Expected date and time of commencement of trading of the Notes on the Main Board of the SGX-ST: [date]

The above timetable is indicative only and is subject to change. As at the date of this Pricing Supplement, the Issuer does not expect the above timetable to be modified. However, the Issuer and the Guarantor may, with the approval of the SGX-ST (if required), extend, shorten or modify the above timetable as it may think fit subject to any limitation under any applicable laws. In particular, the Issuer and the Guarantor will have the absolute discretion to close the Public Offer and/or the Placement early. The Issuer will publicly announce any changes to the above timetable through a SGXNET announcement to be posted on the SGX-ST's website at <http://www.sgx.com>.

Appendix B – Terms and Conditions for Electronic Applications

[to be inserted based on agreed form for relevant Participating Banks]

FORM OF PRICING SUPPLEMENT IN RELATION TO PERPETUAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

FCL Treasury Pte. Ltd.

Issue of [Aggregate Principal Amount of Tranche] [Title of Perpetual Securities]
under the S\$5,000,000,000 Multicurrency Debt Issuance Programme

This document constitutes the Pricing Supplement relating to the issue of Perpetual Securities described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated 16 January 2017 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with such Offering Circular [as so supplemented].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated 16 January 2017. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

[The following language applies if the Perpetual Securities are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.]

Where interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), shall not apply if such person acquires such Perpetual Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest (including distributions which are regarded as interest for Singapore income tax purposes), discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]

- | | | | |
|---|-------|-----------------|-----------------------------|
| 1 | (i) | Issuer: | FCL Treasury Pte. Ltd. |
| | (ii) | Guarantor: | Frasers Centrepoint Limited |
| 2 | (i) | Series Number: | [●] |
| | [(ii) | Tranche Number: | [●] |

(If fungible with an existing Series, details of that Series, including the date on which the Perpetual Securities became fungible.)]

- 3 Currency or Currencies: [●]
- 4 Aggregate Principal Amount:
- (i) Series: [●]
- (ii) [Tranche: [●]]
- 5 (i) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*)]
- (ii) Net Proceeds: [●]
- 6 (i) Denomination Amount: [●]¹
- (ii) Calculation Amount: [●]
- 7 (i) Issue Date: [●]
- (ii) Distribution Commencement Date: [*Specify*/Issue date/Not Applicable]
- (iii) First Call Date: [*Specify*/Not Applicable]
- 8 Maturity Date: [*specify date or (for Floating Rate Perpetual Securities) Distribution Payment Date falling in or nearest to the relevant month and year*]²
- 9 Distribution Basis: [[●] per cent. Fixed Rate
[[*specify reference rate*] +/- [●] per cent. Floating Rate]
(further particulars specified below)
- 10 Redemption/Payment Basis: [Redemption at par]
[Other (specify)]
- 11 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]
- 12 Put/Call Options: [Redemption at the Option of the Issuer]
[Redemption for Taxation Reasons]
[Redemption for Accounting Reasons]
[Redemption for Tax Deductibility]
[Redemption upon a Ratings Event]
[Redemption in the case of Minimal Outstanding Amount]
[Redemption upon a Change of Control]
[(further particulars specified below)]

1 If the Denomination Amount is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: “€100,000 plus integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Perpetual Securities in definitive form will be issued with a denomination above [€199,000]”.

Perpetual Securities (including Perpetual Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

2 Note that Hong Kong Dollar denominated Fixed Rate Perpetual Securities where the Distribution Payment Dates are subject to modification it will be necessary to use the second option.

- 13 Status of Perpetual Securities: [Senior Perpetual Securities/Subordinated Perpetual Securities]
- 14 Listing and admission to trading: [] (*specify*)/None]
- 15 Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO DISTRIBUTION PAYABLE

- 16 Fixed Rate Perpetual Security Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Distribution Rate[(s)]: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Distribution Payment Date(s): [] in each year [adjusted in accordance with [*specify Business Day Convention*]/[*not adjusted*]]
- (iii) Initial Broken Amount: []
- (iv) Final Broken Amount: []
- (v) Day Count Fraction: [30/30E/360/Actual/Actual(ICMA/ISDA)/other]
- (vi) First Reset Date: []
- (vii) Reset Date: []
- (viii) Reset Distribution Rate: []
- (ix) Initial Spread: []
- (x) Reset Period: []
- (xi) Step-Up Margin: []
- (xii) Step-up Date: []
- (xiii) Relevant Rate: []
- (xiv) Change of Control Margin: []
- (xv) Other terms relating to the method of calculating distribution for Fixed Rate Perpetual Securities: [Not Applicable/*give details*]
- 17 Floating Rate Perpetual Security Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Specified Number of Months (Distribution Period): []
- (ii) Specified Distribution Payment Dates: []

- (iii) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (*give details*)]
- (iv) Manner in which the Distribution Rate(s) is/are to be determined: [Screen Rate Determination/ISDA Determination/ other (*give details*)]
- (v) Party responsible for calculating the Distribution Rate(s) and Amount(s) (if not the Calculation Agent): [●]
- (vi) Distribution Determination Date: [●] Business Days prior to the first day of each Distribution Period
- (vii) Screen Rate Determination:
- Reference Rate: [●]
(Either LIBOR, EURIBOR, HIBOR, SIBOR or SOR or other, although additional information is required if other)
 - Interest Determination Date(s): [●]
(the day falling two Business Days in London for the Currency prior to the first day of such Distribution Period if the Currency is not Sterling, euro or Hong Kong Dollars or first day of each Distribution Period if the Currency is Sterling or Hong Kong Dollars or the day falling two TARGET Business Days prior to the first day of such Distribution Period if the Currency is euro)
 - Relevant Screen Page: [●]
[(In the case of EURIBOR, if not Reuters Page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]
- (viii) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions: 2006 (if different to those set out in the Conditions, please specify)
- (ix) Benchmark: [LIBOR, EURIBOR, HIBOR, SIBOR, Swap Rate or other benchmark]
- (x) Reference Banks: [Specify three]
- (xi) Relevant Time: [●]

- | | |
|--|---|
| (xii) Relevant Financial Centre: | [The financial centre most closely connected to the Benchmark – specify if not Singapore] |
| (xiii) Margin(s): | [+/-][●] per cent. per annum |
| (xiv) Minimum Distribution Rate: | [●] per cent. per annum |
| (xv) Maximum Distribution Rate: | [●] per cent. per annum |
| (xvi) Day Count Fraction: | [●] |
| (xvii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Perpetual Securities, if different from those set out in the Conditions: | [●] |
| (xviii) Optional Payment: | [●] |
| (xix) Optional Distribution: | [●] |
| (xx) Dividend Stopper: | [●] |
| (xxi) Dividend Pusher and Reference Period: | [●] |
| (xxii) Non-cumulative Deferral: | [●] |
| (xxiii) Cumulative Deferral: | [●] |
| (xxiv) Additional Distribution: | [●] |

PROVISIONS RELATING TO REDEMPTION

- | | | |
|----|---|--|
| 18 | Redemption at the Option of the Issuer
Issuer's Redemption Option Period
(Condition 5(b)) | [Yes/No]
[Specify maximum and minimum number of days for notice period] |
| 19 | Redemption for Taxation Reasons
Issuer's Redemption Option Period
(Condition 5(c)) | [Yes/No]
[Specify maximum and minimum number of days for notice period] |
| 20 | Redemption for Accounting Reasons
Issuer's Redemption Option Period
(Condition 5(d)) | [Yes/No]
[Specify maximum and minimum number of days for notice period] |
| 21 | Redemption for Tax Deductibility
Issuer's Redemption Option Period
(Condition 5(e)) | [Yes/No]
[Specify maximum and minimum number of days for notice period] |
| 22 | Redemption upon a Ratings Event
Issuer's Redemption Option Period
(Condition 5(f)) | [Yes/No]
[Specify maximum and minimum number of days for notice period] |

- 23 Redemption in the case of Minimal Outstanding Amount Issuer's Redemption Option Period (Condition 5(g)) [Yes/No]
[Specify maximum and minimum number of days for notice period]
- 24 Redemption upon a Change of Control [Yes/No]
[Specify maximum and minimum number of days for notice period]
- (i) Issuer's Redemption Option Period (Condition 5(h)) [●]
- (ii) Definition of Change of Control
- 25 Redemption Amount of each Perpetual Security: [●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL SECURITIES

- 26 Form of Perpetual Securities: [Bearer Perpetual Securities/Registered Perpetual Securities]
- [Temporary Global Security exchangeable for a Permanent Global Perpetual Security which is exchangeable for Definitive Perpetual Securities in the limited circumstances specified in the Permanent Global Security]
- [Temporary Global Security exchangeable for Definitive Perpetual Securities on [●] days' notice] (For this option to be available, such Perpetual Securities shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof)
- [Permanent Global Security /Global Certificate exchangeable for Definitive Perpetual Securities in the limited circumstances specified in the permanent Global Security/Global Certificate]
- (N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Denomination Amount of the Perpetual Securities in paragraph 6 includes language substantially to the following effect: "€100,000 plus integral multiples of €1,000 in excess thereof up to and including €199,000." Furthermore, such Denomination Amount construction is not permitted in relation to any issue of Perpetual Securities which is to be represented on issue by a temporary Global Perpetual Security exchangeable for Definitive Perpetual Securities.)*
[Definitive Perpetual Securities]
- 27 Talons for future Coupons to be attached to Definitive Perpetual Securities (and dates on which such Talons mature): [Yes/No. If yes, give details]
- 28 Redenomination, renominalisation and reconventioning provisions: [Not Applicable/The provisions [annexed to this Pricing Supplement] apply]

29	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply]
30	Private Banking Rebate:	[Applicable/Not Applicable]
31	Use of Proceeds	[As per the Offering Circular/ <i>give details</i>]
32	Other terms or special conditions:	[Not Applicable/ <i>give details</i>]

DISTRIBUTION

33	(i) If syndicated, names of Managers:	[Not Applicable/ <i>give name</i>]
	(ii) Stabilising Manager (if any):	[Not Applicable/ <i>give name</i>]
34	If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i>]
35	U.S. selling restrictions:	[Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Perpetual Securities are being offered and sold only in accordance with Regulation S.
36	Additional selling restrictions:	[Not Applicable/ <i>give details</i>]

OPERATIONAL INFORMATION

37	ISIN Code:	[●]
38	Common Code:	[●]
39	Any clearing system(s) other than Euroclear, Clearstream, Luxembourg or CDP and the relevant identification number(s):	[Not Applicable/ <i>give name(s) and number(s)</i>]
40	Delivery:	Delivery [against/free of] payment
41	Additional Paying Agent(s) (if any):	[●]

GENERAL

42	Applicable governing document:	[Trust Deed dated 16 January 2017] [Singapore Supplemental Trust Deed dated 16 January 2017]
43	The aggregate principal amount of Perpetual Securities in the Currency issued has been translated into Singapore dollars at the rate specified, producing a sum of:	[Not applicable/Exchange rate of Currency: Singapore dollar/Singapore dollar equivalent: [●]]
44	In the case of Registered Perpetual Securities, specify the location of the office of the Registrar if other than [Luxembourg/ Singapore]:	[●]
45	In the case of Bearer Perpetual Securities, specify the location of the office of the Issuing and Paying Agent if other than [London or Singapore]:	[●]

46 Ratings: The Perpetual Securities to be issued are unrated.

47 Governing Law: [English law, save that the subordination provisions in Condition 3(b) are governed by, and shall be construed in accordance with, Singapore law]
[Singapore law]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Singapore Exchange Securities Trading Limited of the Perpetual Securities described herein pursuant to the S\$5,000,000,000 Multicurrency Debt Issuance Programme of FCL Treasury Pte. Ltd.

[STABILISATION]

In connection with this issue, [insert name of Stabilising Manager] (the “**Stabilising Manager**”) (or persons acting on behalf of any Stabilising Manager) may over-allot Perpetual Securities or effect transactions with a view to supporting the market price of the Perpetual Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Perpetual Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Perpetual Securities and 60 days after the date of the allotment of the Perpetual Securities. Any stabilisation action or overallotment must be conducted by the relevant Stabilising Manager (or persons acting on behalf of any Stabilising Manager) in accordance with all applicable laws and rules.]

INVESTMENT CONSIDERATIONS

There are significant risks associated with the Perpetual Securities including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Perpetual Securities, the appropriate tools to analyse that investment, and the suitability of the investment in each investor’s particular circumstances. No investor should purchase the Perpetual Securities unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Perpetual Securities.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.

RESPONSIBILITY

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of FCL Treasury Pte. Ltd.:

By: _____
Duly authorised

Signed on behalf of Frasers Centrepoint Limited:

By: _____
Duly authorised

GENERAL INFORMATION

- (1) Application has been made for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that the application to the SGX-ST will be approved. If the application to the SGX-ST to list a particular Series of Securities other than Retail Notes is approved, and the rules of the SGX-ST so require, such Securities will be traded on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in foreign currencies. Please note that any approval in-principle received from the SGX-ST does not extend to offers pursuant to the Exemption Regulations for Post-Seasoning Debentures and the Exemption Regulations for Straight Debentures.
- (2) Where applicable, Seasoning Notes will initially be offered to Specified Investors only and traded in board lot sizes of at least S\$200,000 (or its equivalent in foreign currencies) and higher integral multiples of S\$1,000 (or its equivalent as aforesaid). After the Seasoning Period and receiving confirmation from the SGX-ST that the Notes are eligible for trading by Retail Investors, subject to fulfilment of the applicable conditions and provided the Issuer does not withdraw the Notes from the Seasoning Framework, the Notes will be seasoned and re-denominated to S\$1,000 (or its equivalent in foreign currencies) and commence trading on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currencies). Unless otherwise stated in the Pricing Supplement and where applicable, Straight Notes will be traded on the Main Board of the SGX-ST in board lot sizes of S\$1,000 (or its equivalent in foreign currencies).
- (3) Each of the Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Singapore in connection with the establishment of the Programme and the giving of the Guarantee. The establishment of the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 13 January 2017 and the establishment of the Programme and the giving of the Guarantee by the Guarantor was authorised by resolutions of the Board of Directors of the Guarantor passed on 13 January 2017.
- (4) Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of (i) the Issuer since 30 September 2016 and (ii) the Guarantor or the Group since 30 September 2016 and no material adverse change in the prospects of (a) the Issuer since 30 September 2016 and (ii) the Guarantor or the Group since 30 September 2016.
- (5) Except as disclosed in this Offering Circular, there are no legal or arbitration proceedings pending or, so far as the Issuer, the Guarantor and their respective directors are aware, threatened against the Issuer, the Guarantor or any of their respective subsidiaries the outcome of which, in the opinion of the directors, may have or have had during the 12 months prior to the date of this Offering Circular a material adverse effect on the financial position of the Issuer or the Guarantor.
- (6) Each Bearer Security having a maturity of more than one year, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (7) The Securities may be accepted for clearance through Euroclear, Clearstream, Luxembourg, CDP and the Austraclear System. The appropriate ISIN and common code in relation to the Securities of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Securities for clearance together with any further appropriate information.
- (8) There are no material contracts entered into other than in the ordinary course of the Issuer's or the Guarantor's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's or the Guarantor's ability to meet its obligations to Securityholders in respect of the Securities being issued.

- (9) Where information in this Offering Circular has been sourced from third parties this information has been accurately reproduced and as far as the Issuer and the Guarantor is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (10) For so long as Securities may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the specified office of the relevant Issuing and Paying Agent (with reasonable prior written notification being given), being at the date of this Offering Circular, the address set out at the end of this Offering Circular:
- (i) the Trust Deed (which includes the form of the Global Securities, the definitive Bearer Securities, the Certificates, the Coupons and the Talons);
 - (ii) the Singapore Supplemental Trust Deed;
 - (iii) the Agency Agreement;
 - (iv) the Note (AMTN) Deed Poll in respect of AMTNs;
 - (v) the Australian Agency Agreement in respect of AMTNs;
 - (vi) each Pricing Supplement (save that a Pricing Supplement related to an unlisted Series of Securities will only be available for inspection by a holder of any such Securities and such holder must produce evidence satisfactory to the Issuer, the Guarantor or the Trustee as to its holding of Securities and identity); and
 - (vii) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular.

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INDEPENDENT AUDITOR'S REPORT

MEMBER OF THE COMPANY FCL TREASURY PTE. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of FCL TREASURY PTE. LTD. (the "Company") which comprise the balance sheet of the Company as at 30 September 2016, the statement of comprehensive income, the statement of changes in equity, and cash flow statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 32.

Management's Responsibility 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 September 2016 and the financial performance, changes in equity and cash flow of the Company for the year ended on that date.

Other matter

The financial statements of the Company for the year ended 30 September 2015 were audited by another auditor who expressed an unmodified opinion on these statements on 26 November 2015.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants
Singapore

6 January 2017

FCL TREASURY PTE. LTD.**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	<u>Note</u>	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
REVENUE			
Interest income	3	207,003	166,627
Other income/(expense)	4	1,689	(13,652)
EXPENSES			
Finance costs	5	(76,953)	(56,088)
Administrative costs		(3,508)	(4,600)
PROFIT BEFORE TAXATION		<hr/> 128,231	92,287
Taxation	6	(11,965)	(10,941)
PROFIT AFTER TAXATION		<hr/> 116,266	81,346
Other comprehensive income, net of tax		(11,473)	3,177
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<hr/> <hr/> 104,793	84,523

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

FCL TREASURY PTE. LTD.

BALANCE SHEET AS AT 30 SEPTEMBER 2016

	<u>Note</u>	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
NON-CURRENT ASSETS			
Property, plant and equipment		2	-
Trade and other receivables	7	4,669,187	3,251,851
Derivative financial instruments	8	2,075	15,514
		4,671,264	3,267,365
CURRENT ASSETS			
Trade and other receivables	7	775,273	1,058,910
Derivative financial instruments	8	5,110	3,836
Cash and cash equivalents	9	115,076	10,189
		895,459	1,072,935
TOTAL ASSETS		5,566,723	4,340,300
CURRENT LIABILITIES			
Loans and borrowings	11	537,721	125,454
Derivative financial instruments	8	10,831	5,606
Trade and other payables	10	32,801	18,164
Provision for taxation		15,335	14,459
		596,688	163,683
NET CURRENT ASSETS		298,771	909,252
NON-CURRENT LIABILITIES			
Loans and borrowings	11	1,572,261	1,601,359
Derivative financial instruments	8	13,751	9,751
Trade and other payables	10	1,926,147	1,147,968
		3,512,159	2,759,078
NET ASSETS		1,457,876	1,417,539
Financed by:			
Share capital	12	100,000	100,000
Accumulated profits		72,918	21,108
Hedging reserve	13	(8,296)	3,177
Equity attributable to owner of the company		164,622	124,285
Perpetual Securities	14	1,293,254	1,293,254
TOTAL EQUITY		1,457,876	1,417,539

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

FCL TREASURY PTE. LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Attributable to Owners of the Company			Equity		Total \$'000
	Share Capital \$'000	Accumulated Profits/(Losses) \$'000	Hedging Reserve \$'000	Attributable to Owners of the Company Total \$'000	Perpetual Securities \$'000	
Balance as at 1 October 2015	100,000	21,108	3,177	124,285	1,293,254	1,417,539
Profit after taxation	-	116,266	-	116,266	-	116,266
<u>Other comprehensive income</u>						
Net fair value change of cash flow hedges	-	-	(11,473)	-	-	(11,473)
Total comprehensive income for the year	-	116,266	(11,473)	104,793	-	104,793
<u>Contributions by perpetual securities holders</u>						
Distributions to perpetual securities holders	-	(64,456)	-	(64,456)	-	(64,456)
Balance as at 30 September 2016	100,000	72,918	(8,296)	164,622	1,293,254	1,457,876
Balance as at 1 October 2014	100,000	(13,314)	-	86,686	597,654	684,340
Profit after taxation	-	81,346	-	81,346	-	81,346
<u>Other comprehensive income</u>						
Net fair value change of cash flow hedges	-	-	3,177	3,177	-	3,177
Total comprehensive income for the year	-	81,346	3,177	84,523	-	84,523
<u>Contributions by perpetual securities holders</u>						
Issue of perpetual securities, net of costs	-	-	-	-	695,600	695,600
Distributions to perpetual securities holders	-	(46,924)	-	(46,924)	-	(46,924)
Total contributions by and distributions to perpetual securities holders	-	(46,924)	-	(46,924)	695,600	648,676
Balance as at 30 September 2015	100,000	21,108	3,177	124,285	1,293,254	1,417,539

* Denotes amounts less than \$1,000

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

FCL TREASURY PTE. LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	<u>2016</u>	<u>2015</u>
	<u>\$'000</u>	<u>\$'000</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	128,231	92,287
Adjustments for:		
Interest income	(207,003)	(166,627)
Finance costs	76,953	56,088
Depreciation	-*	-
Fair value gain on derivatives	(35,132)	(1,514)
Amortisation of transaction costs	1,864	3,105
Exchange difference	37,426	(378)
	<hr/>	<hr/>
Operating profit/(loss) before working capital changes	2,339	(17,039)
Changes in working capital		
Trade and other receivables	(1,169,523)	(947,647)
Trade and other payables	11,000	(6,906)
	<hr/>	<hr/>
Cash used in operations	(1,156,184)	(971,592)
Interest received	192,355	161,461
Interest paid	(66,511)	(48,292)
Income tax paid	(11,089)	(752)
Income tax refunded	-	8
Settlement of derivative instruments	45,050	13,785
	<hr/>	<hr/>
Net cash used in operating activities	(996,379)	(845,382)
	<hr/>	<hr/>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of equipment	(2)	-
	<hr/>	<hr/>
Net cash used in investing activities	(2)	-
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	658,308	575,000
Repayment of bank borrowings	(263,957)	(1,300,000)
Advances from immediate holding company	771,373	427,336
Proceeds from issue of retail bonds, net of costs	-	497,518
Proceeds from issue of perpetual securities, net of costs	-	695,600
Distributions to perpetual securities holders	(64,456)	(46,924)
	<hr/>	<hr/>
Net cash generated from financing activities	1,101,268	848,530
	<hr/>	<hr/>
Net increase in cash and cash equivalents	104,887	3,148
Cash and cash equivalents at beginning of year	10,189	7,041
Effects of exchange rate on opening cash and cash equivalents	-*	-*
	<hr/>	<hr/>
Cash and cash equivalents at end of year	115,076	10,189
	<hr/> <hr/>	<hr/> <hr/>

* Denotes amounts less than \$1,000

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

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

These notes form an integral part of the financial statements.

The financial statements for the financial year ended 30 September 2016 were authorised for issue in accordance with a resolution of the Directors on 6 January 2017.

1. GENERAL

FCL Treasury Pte. Ltd. (the "Company") is a limited liability company which is wholly-owned by its immediate holding company, Frasers Centrepoint Limited. The two companies are domiciled and incorporated in Singapore. The ultimate holding company is TCC Assets Limited, a company incorporated in the British Virgin Islands.

The registered office and principal place of business of the Company is located at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The principal activities of the Company are to provide financial and treasury services for and on behalf of the immediate holding company to companies within the Group and to companies in which the immediate holding company has an interest of at least 20%.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of Preparation*

The financial statements of the Company are prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements of the Company are prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("S\$"). All financial information presented in Singapore Dollars has been rounded to the nearest thousand, unless otherwise stated.

The Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year.

2.2 *Significant Accounting Judgements and Estimates*

The preparation of the 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 the assets, liabilities, income and expenses at the reporting date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities and which are not readily apparent from other sources.

Estimates and underlying assumptions are revised 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 there is no significant judgement made in applying accounting policies and no assumption and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 *Functional and Foreign Currencies*

(a) *Functional Currency*

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company (the "functional currency"). The financial statements of the Company are presented in Singapore dollars, the functional currency of the Company.

(b) *Foreign Currency Transactions*

Foreign currency transactions are recorded in the functional currency of the Company at rates of exchange approximating those ruling at transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the initial transaction dates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. All foreign currency differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in the profit or loss except for qualifying cashflow hedges to the extent the hedges are effective.

2.4 *Revenue Recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

Interest Income

Interest income is recognised using the effective interest method.

2.5 *Income Taxes*

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss 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. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 *Income Taxes* (cont'd)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to 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 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.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

2.6 *Non-derivative Financial Assets*

(a) *Initial Recognition and Measurement*

Non-derivative financial assets within the scope of FRS 39 are classified as either non-derivative financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. Non-derivative financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

When non-derivative financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss, directly attributable transaction costs. The Company determines the classification of its financial assets at initial recognition.

(b) *Subsequent Measurement*

Loans and Receivables

Non-derivative financial assets with fixed or determinable payment that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 *Non-derivative Financial Assets* (cont'd)

(c) *Derecognition*

A non-derivative financial asset is derecognised when the contractual rights to receive cash flows from the asset have expired, or it transfers the rights to receive the contractual cash flows on the non-derivative financial asset in a transaction in which substantially all the risks and rewards of ownership of the non-derivative financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in transferred non-derivative financial assets that is created or retained by the Company is recognised as a separate asset or liability.

On derecognition of a non-derivative financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that has been recognised in OCI is recognised in the profit or loss.

Non-derivative financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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.

2.7 *Cash and Cash Equivalents*

Cash on hand and in bank and fixed deposits are classified and accounted for as loans and receivables under FRS 39. The accounting policy is stated in Note 2.6.

For the purpose of cash flow statement, cash and cash equivalents consist of cash on hand and deposits in banks.

2.8 *Non-derivative Financial Liabilities*

(a) *Initial Recognition and Measurement*

Non-derivative financial liabilities within the scope of FRS 39 are classified as other financial liabilities. The non-derivative financial liabilities recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Non-derivative financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

(b) *Subsequent Measurement*

Subsequent to initial recognition, non-derivative financial liabilities are measured at amortised cost using the effective interest method.

(c) *Derecognition*

A non-derivative financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

Where an existing non-derivative financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 *Non-derivative Financial Liabilities* (cont'd)

(c) *Derecognition* (cont'd)

Non-derivative financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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.

2.9 *Derivative Financial Instruments*

The Company uses derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. 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 on the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Foreign exchange forward contracts and cross currency swaps are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. It is the Company's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value; any attributable transaction costs are recognised in the profit or loss on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the profit or loss.

The Company applies hedge accounting for certain hedging relationships, which qualify for hedge accounting. For the purpose of hedge accounting, these hedges are classified as cash flow hedges. On initial designation of the derivative as the hedging instrument, the Company formally documents the relationship between the hedging instrument and the hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Company makes an assessment, both at the inception of the hedge relationship as well as on an on-going basis, of whether, the hedging instruments are expected to be 'highly effective' in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual effectiveness of each hedge are within a range of 80% to 125%.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly as other comprehensive income in hedging reserve, while any ineffective portion is recognised immediately in the profit or loss. Amounts recognised as other comprehensive income are transferred to the profit or loss when the hedged transaction affects the profit or loss, such as when the hedged item is recognised or when a forecast sale occurs. Where the hedged item is a non-financial asset or non-financial liability, the amounts accumulated in equity is retained in other comprehensive income and reclassified in the same period or periods during which the non-financial item affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, amounts previously recognised in shareholder's equity are transferred to the profit or loss. Amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction or firm commitment occurs.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 *Provisions*

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 *Borrowing Costs*

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are expensed in the period they occur using the effective interest method.

2.12 *Impairment*

Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement on whether current economic and credit conditions are such that the actual losses are likely to be greater or less than subsequent by historical trends.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance. The amount of the loss is recognised in the profit or loss.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12 *Impairment* (cont'd)

Impairment of Financial Assets (cont'd)

Financial Assets Carried at Amortised Cost (cont'd)

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.13 *Share Capital and Share Issuance Expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of such shares are deducted against share capital. Proceeds from issuance of perpetual securities are recognised in equity and incidental costs directly attributable to the issuance of perpetual securities are deducted against the proceeds from the issue.

3. INTEREST INCOME

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Interest income from:		
- loans to immediate holding company	-	8,098
- loans to related companies	205,665	157,930
- bank current account	1,338	599
	<hr/>	<hr/>
	207,003	166,627
	<hr/> <hr/>	<hr/> <hr/>

4. OTHER INCOME/(EXPENSE)

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Fair value gain on foreign currency forward contracts	35,132	1,514
Foreign exchange loss	(34,683)	(15,181)
Others	1,240	15
	<hr/>	<hr/>
	1,689	(13,652)
	<hr/> <hr/>	<hr/> <hr/>

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

5. FINANCE COSTS

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Interest expense on:		
- amounts due to immediate holding company	7,079	7,547
- amounts due to related companies	35	30
- loans and borrowings	67,975	45,406
Amortisation of transaction costs on loans and borrowings	1,864	3,105
	<hr/>	<hr/>
	76,953	56,088
	<hr/> <hr/>	<hr/> <hr/>

6. TAXATION

A reconciliation of the statutory tax rate to the Company's effective tax rate applicable to profit for the years ended 30 September is as follows:

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Profit before taxation	128,231	92,287
	<hr/>	<hr/>
Tax at applicable rate @ 17% (2015: 17%)	21,799	15,689
Expenses not deductible for tax purposes	151	2,311
Income not subject to tax	(26)	(46)
Tax effect of distributions of perpetual securities	(10,958)	(7,977)
Withholding tax	965	941
Others	34	23
	<hr/>	<hr/>
Taxation recognised in the profit or loss	11,965	10,941
	<hr/> <hr/>	<hr/> <hr/>

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

7. TRADE AND OTHER RECEIVABLES

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Trade receivables (current)		
Loans to related companies	774,725	1,057,184
Other receivables (current)		
Amounts due from related companies	187	1,375
Sundry debtors	361	351
	548	1,726
Total trade and other receivables (current)	775,273	1,058,910
Trade receivables (non-current)		
Loans to related companies	4,669,187	3,251,851
Total trade and other receivables (current and non-current), classified as loans and receivables	5,444,460	4,310,761

The amounts due from related companies are non-trade related, unsecured, interest free and repayable on demand.

The loans to related companies are trade related, unsecured, with interests rates ranging from 1.72% to 6.6% (2015: 2.29% to 6.6%).

The non-current loans to related companies are repayable between 1 years and 9 years.

Included in loans to related companies are interest receivables of \$72,089,000 (2015: \$57,441,000) derived from the interest bearing loans to related companies. The unpaid interests compound as principal of the loans to related companies.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

8. DERIVATIVE FINANCIAL INSTRUMENTS

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Assets		
Cross currency interest rate swaps/cross currency swaps	2,068	4,051
Interest rate swaps	7	14,056
Foreign currency forward contracts	5,110	1,243
	<hr/> 7,185	<hr/> 19,350
	<hr/> <hr/>	<hr/> <hr/>
Comprise:		
- Current	5,110	3,836
- Non-current	2,075	15,514
	<hr/> 7,185	<hr/> 19,350
	<hr/> <hr/>	<hr/> <hr/>
Liabilities		
Cross currency interest rate swaps/cross currency swaps	3,194	4,051
Interest rate swaps	14,761	10,880
Foreign currency forward contracts	6,627	426
	<hr/> 24,582	<hr/> 15,357
	<hr/> <hr/>	<hr/> <hr/>
Comprise:		
- Current	10,831	5,606
- Non-current	13,751	9,751
	<hr/> 24,582	<hr/> 15,357
	<hr/> <hr/>	<hr/> <hr/>

Cross Currency Interest Rate Swaps/Cross Currency Swaps

The Company enters into cross currency interest rate swaps and cross currency swaps to hedge its exposure to interest rate risk associated with movements in interest rates which impact the borrowing costs of the Company and also to hedge exposure to exchange rate risk on foreign currency borrowings.

The Company has cross currency interest rate swap and cross currency swaps arrangements in place for the following amounts:

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Notional amounts		
After three years	391,600	238,000
	<hr/> 391,600	<hr/> 238,000
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

8. DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

Cross currency swaps and cross currency interest rate swaps with a carrying amount of \$1,126,000 (2015: Nil) were designated as hedge instruments for cash flow hedges to hedge interest rate risk arising from variable rate borrowings. There was no ineffectiveness recognised from these hedges.

Interest Rate Swaps

Interest rate swaps are used by the Company to hedge exposure to interest rate risk associated with movements in interest rates on the borrowings of the Company.

The Company has interest rate swap arrangements in place for the following amounts:

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Notional amounts		
Within one year	476,000	-
Between one to three years	120,000	540,000
After three years	563,912	851,248
	<hr/> 1,159,912	<hr/> 1,391,248

At 30 September 2016, the fixed interest rates of the outstanding interest rate swap contracts ranged between 1.28% to 2.25% (2015: 1.25% to 1.98%) per annum.

Interest rate swaps with a carrying amount of \$14,754,000 (2015: \$3,176,000) were designated as hedge instruments for cash flow hedges to hedge interest rate risk arising from variable rate borrowings. There was no ineffectiveness recognised from these hedges.

Foreign Currency Forward Contracts

Foreign currency forward contracts are used by the Company to hedge exposure to exchange rate risks on foreign currency receivables, payables and borrowings. The carrying amounts of the foreign currency forward contracts are accounted for at fair value through profit or loss.

The Company has foreign currency forward contracts arrangements in place for the following amounts:

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Notional amounts		
Within one year	595,068	347,178

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

9. CASH AND CASH EQUIVALENTS

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Fixed deposits	40,562	10,000
Cash in bank	74,514	189
<hr/>		
Cash and cash equivalents, classified as loans and receivables	115,076	10,189
<hr/> <hr/>		

Cash in bank earns interest at floating rates based on daily bank deposit rates. Fixed deposits with banks mature within 3 months (2015: 3 months) from the financial year-end. During the financial year, fixed deposits earn interest ranging from 0.03% to 1.4% (2015: 0.85% to 1.10%).

10. TRADE AND OTHER PAYABLES

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Trade payables (current)	38	-
Other payables (current)		
Amounts due to related companies	6,447	2,129
Accrued expenses	440	600
Interests payable	25,876	15,435
	32,763	18,164
<hr/>		
Total trade and other payables (current)	32,801	18,164
<hr/>		
Other payables (non-current)		
Amounts due to related companies	13,049	6,243
Amounts due to immediate holding company	1,913,098	1,141,725
Total other payables (non-current)	1,926,147	1,147,968
<hr/>		
Total trade and other payables (current and non-current), classified as other financial liabilities	1,958,948	1,166,132
<hr/> <hr/>		

The amount due to immediate holding company is non-trade related, unsecured, bears interest at 0.8% (2015: 0.8%) per annum and is not repayable within twelve months from the reporting date.

The amounts due to related companies are non-trade related, unsecured and interest free. The non-current amounts due to related companies are repayable within 1 to 9 years (2015: 1 to 9 years.)

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

11. LOANS AND BORROWINGS

	Weighted Average		<u>2016</u> \$'000	<u>2015</u> \$'000
	Effective Interest			
	<u>Rate %</u> <u>2016</u>	<u>2015</u>		
Repayable within one year				
Unsecured bank loans	2.6%	4.8%	537,721	125,454
Repayable after one year				
Unsecured bank loans	1.8%	2.0%	232,834	779,649
Medium term notes	3.5%	3.9%	841,541	324,192
Retail bonds	3.7%	3.7%	497,886	497,518
			1,572,261	1,601,359
Total borrowings			2,109,982	1,726,813

(a) The immediate holding company, Frasers Centrepoint Limited, has provided a corporate guarantee for all term loans drawn down by the Company.

(b) Maturity of non-current loans and borrowings is as follows:

	<u>2016</u> \$'000	<u>2015</u> \$'000
Between 1 and 2 years	-	529,105
Between 3 and 5 years	576,148	325,422
After 5 years	996,113	746,832
At 30 September	1,572,261	1,601,359

(c) As at 30 September 2016, the Company had interest rate swaps in place, which have the economic effect of converting borrowings from variable rates to fixed rates. The terms of these interest rate swaps are discussed in Note 10.

(d) The Company established a S\$3,000,000,000 Multicurrency Debt Issuance Programme to be unconditionally and irrevocably guaranteed by the immediate holding company, Frasers Centrepoint Limited.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

12. SHARE CAPITAL

	<u>2016</u>		<u>2015</u>	
	<u>No. of Shares</u>	<u>\$'000</u>	<u>No. of Shares</u>	<u>\$'000</u>
Issued and fully paid:	100,000,000	100,000	100,000,000	100,000

The holder of ordinary shares is entitled to receive dividend as and when declared by the Company. All ordinary shares carry one vote per share without restriction. All ordinary shares have no par value.

13. HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

14. PERPETUAL SECURITIES

On 24 September 2014, the Company issued \$600,000,000 in aggregate principal amount of perpetual securities, guaranteed by the immediate holding company.

On 9 March 2015, the Company issued \$700,000,000 in aggregate principal amount of perpetual securities, guaranteed by the immediate holding company. A principal sum of \$300,000,000 was subscribed by a related party.

Issuance costs amounting to \$4,400,000 was recognised in equity as a deduction from proceeds.

Such perpetual securities issued on 24 September 2014 and 9 March 2015 bear distributions at rates of 4.88% and 5.00% per annum respectively, each payable semi-annually in arrear. The rates of distribution are subject to revision in accordance with the terms and conditions of the securities (the "Conditions"). Subject to the Conditions, the Company may elect to defer making distribution on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

As the perpetual securities have no fixed maturity date and the payment of distributions is at the discretion of the Company, the Company is considered to have no contractual obligations to repay its principal or to pay any distributions, and the perpetual securities do not meet the definition for classification as a financial liability under FRS 32 *Financial Instruments: Disclosure and Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

The perpetual securities constitute direct, unconditional, subordinated and unsecured obligations of the Company and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations (as defined in the Conditions) of the Company. The securities may be redeemed at the option of the Company on any distribution payment date as specified in the Conditions and otherwise upon the occurrence of certain redemption events as specified in the Conditions.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related companies took place during the year at terms agreed between the parties:

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
<u>Related companies</u>		
Initial setup fee	5	15
Corporate management fee	(1,400)	(1,470)

16. FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk, liquidity risk and interest rate risk. The Company approves and reviews policies for managing each of these risks and they are summarised below. The Company does not hold or issue derivative financial instruments for trading purposes.

16.1 *Foreign Currency Risk*

The purpose of the Company's foreign currency hedging activities is to protect against the volatility associated with loans granted to foreign related companies. The Company primarily utilise foreign currency forward contracts with maturities of less than twelve months to hedge foreign currency-denominated loans of foreign related companies. Under this programme, increases or decreases in the Company's foreign currency-denominated loans are partially offset by gains and losses on the hedging instruments. The Company does not use foreign currency forward contracts for trading purposes.

In addition to transactional exposures, the Company is also exposed to foreign exchange movements on its net investment in foreign subsidiaries. The Company uses foreign currency borrowings as a natural hedge against the activities of the foreign subsidiaries.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

16. FINANCIAL RISK MANAGEMENT (cont'd)

16.1 Foreign Currency Risk (cont'd)

The Company's exposure to foreign currencies as at 30 September 2016 and 30 September 2015, after taking into account foreign currency forward contracts, was as follows:

	Australian Dollar \$'000	Chinese Renminbi \$'000	Sterling Pound \$'000	Thai Baht \$'000	United States Dollar \$'000
Company					
2016					
Financial Assets					
Trade and other receivables	123,042	54,975	319,266	78,414	26,169
Cash and cash equivalents	7	3	20,565	-	*
Financial Liabilities					
Trade and other payables	-	(5,562)	(6)	-	-
Loans and borrowings	-	(161,958)	(83,985)	-	(269,823)
Net statement of financial position exposure	123,049	(112,542)	255,840	78,414	(243,654)
Less:					
Foreign currency forward contracts	(123,305)	114,089	(254,518)	(78,621)	297,134
Net currency exposure	(256)	1,547	(1,322)	(207)	53,480
2015					
Financial Assets					
Trade and other receivables	187,142	127,076	253,947	-	27,758
Cash and cash equivalents	8	-	-	-	-
Financial Liabilities					
Trade and other payables	-	(368)	(120)	-	-
Loans and borrowings	-	(125,454)	(102,071)	-	-
Net statement of financial position exposure	187,150	254	151,756	-	27,758
Less:					
Foreign currency forward contracts	(188,590)	-	(148,634)	-	(9,954)
Net currency exposure	(1,440)	254	3,122	-	17,804

* Denotes amounts less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

16. FINANCIAL RISK MANAGEMENT (cont'd)

16.1 *Foreign Currency Risk* (cont'd)

The following table demonstrates the sensitivity of the Company's profit to a reasonably possible change in the USD, A\$, GBP, RMB and THB exchange rates with all other variables held constant.

		<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
A\$/S\$	- strengthened 1% (2015: 1%)	(3)	(14)
	- weakened 1% (2015: 1%)	3	14
RMB/S\$	- strengthened 1% (2015: 1%)	15	3
	- weakened 1% (2015: 1%)	(15)	(3)
GBP/S\$	- strengthened 1% (2015: 1%)	(13)	31
	- weakened 1% (2015: 1%)	13	(31)
THB/S\$	- strengthened 1% (2015: 1%)	(2)	-
	- weakened 1% (2015: 1%)	2	-
USD/S\$	- strengthened 1% (2015: 1%)	534	178
	- weakened 1% (2015: 1%)	(534)	(178)

16.2 *Credit Risk*

At the balance sheet date, the carrying amount of loans to related companies, amounts due from related companies and cash and bank balances represent the Company's maximum exposure to credit risk.

As at 30 September 2016, 100% (2015: 100%) of the Company's receivables are due from related companies. There is no significant credit risk as these companies are of good credit standing.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Company's maximum credit risk exposure for foreign currency swap contracts and interest rate swap contracts are limited to the fair value adjustments of these contracts. It is the Company's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Company does not expect to incur material credit losses on their financial assets or other financial instruments.

Cash and fixed deposits are placed with reputable financial institutions.

16.3 *Liquidity Risk*

The Company's exposure to liquidity risk arises in the general funding of the Company's business activities. It includes the risks of being able to fund business activities in a timely manner.

The Company adopts a prudent approach to managing its liquidity risk. The Company always maintain sufficient cash and have available funding through diverse sources of committed and uncommitted credit facilities from various banks.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

16. FINANCIAL RISK MANAGEMENT (cont'd)

16.3 *Liquidity Risk* (cont'd)

The following are the expected contractual undiscounted cash flows of financial liabilities and derivative financial instruments, including interest payments and excluding the impact of netting agreements. The table also indicates the periods in which the cash flows associated with the cash flow hedges are expected to occur.

	Carrying amount \$'000	Contractual Cash Flows			
		Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000
2016					
Financial liabilities, at amortised cost					
Amount due to related companies	(19,496)	(19,496)	(6,447)	(13,049)	-
Amount due to immediate holding company	(1,913,098)	(1,928,403)	(15,305)	(1,913,098)	-
Loans and borrowings	(2,109,982)	(2,423,594)	(596,878)	(769,082)	(1,057,634)
Trade and other payables	(26,354)	(26,354)	(26,354)	-	-
	(4,068,930)	(4,397,847)	(644,984)	(2,695,229)	(1,057,634)
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)*	(14,754)	(15,462)	(7,338)	(8,124)	-
Forward foreign exchange contracts (gross-settled)	(1,517)				
- outflow		(581,414)	(581,414)	-	-
- inflow		579,460	579,460	-	-
Cross currency interest rate swaps/ cross currency swaps (gross-settled)*	(1,126)				
- outflow		(433,328)	(9,863)	(423,465)	-
- inflow		431,482	8,385	423,097	-
	(17,397)	(19,262)	(10,770)	(8,492)	-
	(4,086,327)	(4,417,109)	(655,766)	(2,703,709)	(1,057,634)
2015					
Financial liabilities, at amortised cost					
Amount due to related companies	(8,372)	(8,372)	(2,129)	(6,243)	-
Amount due to immediate holding company	(1,141,725)	(1,150,859)	(9,134)	(1,141,725)	-
Loans and borrowings	(1,726,813)	(2,664,403)	(174,385)	(1,698,552)	(791,466)
Trade and other payables	(16,035)	(16,035)	(16,035)	-	-
	(2,892,945)	(3,839,669)	(201,683)	(2,846,520)	(791,466)
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)*	9,610	9,819	(602)	10,421	-
Forward foreign exchange contracts (gross-settled)*	816				
- outflow		(346,992)	(346,992)	-	-
- inflow		348,051	348,051	-	-
	10,426	10,878	457	10,421	-
	(2,882,519)	(3,819,657)	(192,092)	(1,694,374)	(1,933,191)

* Designated for cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

16. FINANCIAL RISK MANAGEMENT (cont'd)

16.3 *Liquidity Risk* (cont'd)

The maturity analyses show the contractual undiscounted cash flows of the Company's financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to those instruments held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement e.g. forward exchange contracts. Net-settled derivative financial assets are included in the maturity analyses as they are held to hedge the cash flow variability of the Company's floating rate loans.

16.4 *Interest Rate Risk*

The Company's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions and loans to related companies.

The Company manages its interest rate exposure by maintaining a mix of fixed and floating rate debts with varying tenors. To manage this mix in a cost-efficient manner, the Company uses hedging instruments such as interest rate swaps to minimise its exposure to interest rate volatility.

The net fair value loss of interest rate swaps as at 30 September 2016 was \$14,754,000 (2015: gain of \$3,176,000) comprising derivative financial assets of \$7,000 (2015: \$14,056,000) and derivative financial liabilities of \$14,761,000 (2015: \$10,880,000).

Sensitivity Analysis for Interest Rate Risk

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity by the amounts shown below. Changes in interest rates are not expected to have material impact to the profit or loss as loans and borrowings with variable interest rates are fully hedged with derivative instruments with corresponding matching critical terms. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Equity	
	100 bp Increase \$'000	100 bp Decrease \$'000
2016		
Interest rate swaps/cross currency		
interest rate swaps	22,880	(22,880)
Cash flow sensitivity (net)	22,880	(22,880)
2015		
Interest rate swaps/cross currency		
interest rate swaps	26,125	(26,125)
Cash flow sensitivity (net)	26,125	(26,125)

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

17. FAIR VALUE OF ASSETS AND LIABILITIES

(a) *Fair Value Hierarchy*

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used 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).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) *Classifications and Fair Values*

The following tables show the carrying amounts and fair values of assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for short term trade and other receivables, cash and cash equivalents, short term bank borrowings and trade and other payables as their carrying amounts are reasonable approximation of fair values.

		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair Value Total \$'000	Carrying Amount Total \$'000
2016						
Assets and Liabilities measured at Fair Value:						
Financial Assets						
Derivative financial assets:						
- Foreign currency forward contracts	8	-	5,110	-	5,110	5,110
- Interest rate swaps	8	-	7	-	7	7
- Cross currency interest rate swaps/cross currency swaps	8	-	2,068	-	2,068	2,068
		-	7,185	-	7,185	7,185
Financial Liabilities						
Derivative financial liabilities:						
- Foreign currency forward contracts	8	-	(6,627)	-	(6,627)	(6,627)
- Interest rate swaps	8	-	(14,761)	-	(14,761)	(14,761)
- Cross currency interest rate swaps/cross currency swaps	8	-	(3,194)	-	(3,194)	(3,194)
		-	(24,582)	-	(24,582)	(24,582)
Financial Instruments not carried at Fair Value Value but for which Fair Value are disclosed						
Financial assets						
Loan to related companies	7	-	4,702,391	-	4,702,391	4,669,187
Financial Liabilities						
Bank borrowings	11	-	(1,570,689)	-	(1,570,689)	(1,572,261)
		-	3,131,702	-	3,131,702	3,096,926

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

17. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(b) *Classifications and Fair Values (cont'd)*

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair Value Total \$'000	Carrying Amount Total \$'000
2015						
Assets and Liabilities						
measured at Fair Value:						
Financial Assets						
Derivative financial assets:						
- Foreign currency forward contracts	8	-	1,243	-	1,243	1,243
- Interest rate swaps	8	-	14,056	-	14,056	14,056
- Cross currency interest rate swaps/cross currency swaps	8	-	4,051	-	4,051	4,051
		-	19,350	-	19,350	19,350
Financial Liabilities						
Derivative financial liabilities:						
- Foreign currency forward contracts	8	-	(426)	-	(426)	(426)
- Interest rate swaps	8	-	(10,880)	-	(10,880)	(10,880)
- Cross currency interest rate swaps/cross currency swaps	8	-	(4,051)	-	(4,051)	(4,051)
		-	(15,357)	-	(15,357)	(15,357)
Financial instruments not carried at Fair Value but for which Fair Value are disclosed:						
Financial assets						
Loan to related companies	7	-	3,248,600	-	3,248,600	3,251,851
Financial Liabilities						
Bank borrowings	11	-	(1,599,758)	-	(1,599,758)	(1,601,359)
		-	1,648,842	-	1,648,842	1,650,492

(c) *Fair Value of Assets and Liabilities by Classes that are not Carried at Fair Value and whose Carrying Amounts are Reasonable Approximation of Fair Value*

Cash and cash equivalents, trade and other receivables (current), trade and other payables (current) and bank borrowings (current)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

17. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(d) ***Fair Value of Assets and Liabilities by Classes that are not Carried at Fair Value and whose Carrying Amounts are not Reasonable Approximation of Fair Value***

Amount due to immediate holding company and related companies (non-current)

No disclosure of fair value is made for non-current amounts due to immediate holding company and related companies as it is not practicable to determine their fair value with sufficient reliability since the balances are repayable after twelve months from the reporting date. The Company does not anticipate that the carrying amounts recorded at the end of the financial year would be significantly different from the values that would eventually be received or settled.

(e) ***Determination of Fair Value***

The following valuation methods and assumptions are used to estimate the fair values of the following significant classes of assets and liabilities:

(i) ***Derivatives***

Forward currency forward contracts, cross currency interest rate swaps, cross currency swaps and interest rate swaps are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present valuation calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate and forward rate curves.

(ii) ***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 using the market rate of interest at the reporting date.

(iii) ***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, bank borrowings and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument in the balance sheet.

FCL TREASURY PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2016

18. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value.

As at 30 September 2016, the Company is in a net cash positive position (2015: net cash position). The Company monitors its cashflow, debt maturity profile, cost of funds, overall liquidity position and gearing ratio on a continuous basis.

	<u>2016</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>
Cash and cash equivalents	115,076	10,189
Loans to related companies(Note 7)	5,443,912	4,309,035
Loans and borrowings (Note 11)	(2,109,982)	(1,726,813)
Net cash	3,449,006	2,592,411
Total equity	1,457,876	1,417,539
Net cash over total equity ratio	2.37	1.83

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Frasers Centrepoint Limited (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 30 September 2016, the profit statements, statements of comprehensive income, statements of changes in equity of the Group and Company and the cash flow statements of the Group for the 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 180 to 303.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 and the Singapore Financial Reporting Standards ("FRS") to give a true and fair view of the financial position of the Group and the Company as at 30 September 2016 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). Our responsibilities under those standards are further described in the *Auditors' 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 the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

(Refer to Note 11 to the financial statements)

Risk:

The Group owns a portfolio of investment properties (including investment properties under construction) comprising serviced residences, commercial and industrial properties that are leased to third parties under operating leases, located mainly in Australia, Singapore and United Kingdom. Investment properties represent the largest category of assets on the balance sheet, at \$13.49 billion as at 30 September 2016.

These investment properties are stated at their fair values based on independent external valuations except for certain overseas properties whereby valuations are performed internally. In addition, investment properties under construction are stated at their fair values as determined by valuers which involves estimating the fair value of the completed investment property and then deducting from that amount the estimated costs to complete the construction and a reasonable profit margin on construction and development.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied in deriving future cash flows, the capitalisation rates, discount rates and terminal yield rates; where a change in the assumptions can have a significant impact to the valuation.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

Our response:

We evaluated the qualifications and competence of the valuers and held discussions with the valuers to understand their valuation methods and assumptions and basis used, where appropriate.

We considered the valuation methodologies used against those applied by valuers for similar property types. We tested the integrity of inputs of the projected cash flows used in the valuation to supporting leases and other documents. We evaluated the appropriateness of the discount, capitalisation and terminal yield rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers. In addition, for investment properties under construction, we evaluated the estimated cost to complete by comparing the cost incurred to date to management budgets and, where the works were contracted to third parties, agreed to the contracts. We have also tested significant items of the cost components to source documents to ascertain the existence and accuracy of those cost components.

We also assessed whether the disclosures in the financial statements appropriately described the subjectivity and judgements inherent in the valuations and met the requirements of the relevant accounting standards.

Our findings:

We found the valuers to be objective and competent. The valuers are members of generally-recognised professional bodies for valuers. The valuation methodologies used are in line with generally accepted market practices and the key assumptions used are within the range of market data. For investment properties under construction, the estimated cost to complete were found to be supported. We also found the disclosures in the financial statements to be appropriate in their description of the degree of subjectivity and judgement in the key assumptions used in the valuations, including the inter-relationship between the key unobservable inputs and the fair values.

Recoverability of intangible assets

(Refer to Note 16 to the financial statements)

Risk:

The Group has goodwill and other intangible assets comprising brands, favorable leases and others with an aggregate carrying value of \$681.74 million as at 30 September 2016. These assets are impaired when their individual carrying value or the carrying value of the cash generating unit ("CGU") of which the goodwill or intangible asset is allocated to, exceeds their recoverable amount. The recoverable amount is the higher of their fair value less costs of disposal and its value in use. Estimating the recoverable amount involves significant judgement in determining an appropriate model and the underlying assumptions to be applied; coupled with the inherent estimation uncertainties that arise when estimating and discounting future cash flows and estimating earnings multiples. The recoverable amount is sensitive to inputs and assumptions underlying the models used. Some of the key inputs and assumptions relate to expectations of future cash flows, growth rates used for extrapolation purposes, discount rates and earnings multiples.

Our response:

We evaluated the Group's methodology and identification of CGU and assessed indicators of impairment for intangible assets where appropriate.

For goodwill, intangible assets with infinite useful life and intangible assets with indicators of impairment, we evaluated the cash flows used in the model against the understanding we obtained about the business through our audit and assess if these cash flows were reasonable. We challenged the appropriateness of key assumptions used by the Group in its impairment testing comprising the discount rate, growth rate and earnings multiples by comparing these to externally available market data for reasonableness. We also assessed whether or not the assumptions showed any evidence of management bias with a particular focus on the risk that the forecasted cash flows may not support the carrying value of the intangible assets.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

We considered the adequacy of the Group's disclosure and the requirements of accounting standards in respect of impairment testing.

Our findings:

The methodology and model used by the Group is supported by generally accepted market practices and we found that the assumptions and resulting estimates were balanced and the disclosures in the financial statement to be appropriate.

Foreseeable losses on properties held for sale

(Refer to Note 20 to the financial statements)

Risk:

The Group has significant residential, industrial and commercial properties held for sale located primarily in Australia, China, Singapore and United Kingdom. These properties have a carrying value of \$4.0 billion as at 30 September 2016 and are stated at the lower of their cost and their net realisable values. In arriving at estimates of net realisable values, we considered comparable properties and recent selling prices less the estimated costs of completion and the estimated costs necessary to make the sale. The determination of the estimated net realisable value of these properties is critically dependent upon the Group's expectations of future selling prices.

The amount of unsold residential properties for sale in Singapore is not significant. However, weak demand and the consequential oversupply of properties for sale, arising from a challenging economic environment in certain states in China and Australia, might exert downward pressure on transaction volumes and properties prices in these markets. There is therefore a risk that the estimates of net realisable values may exceed future selling prices, resulting in more losses when properties are sold.

Our response:

We challenged the Group's forecast selling prices by comparing the forecast selling prices to, where applicable, recently transacted prices and prices of comparable properties located in the same vicinity as the development or completed project. We focused our work on projects with slower-than-expected sales or with low or negative margins. For projects with units which are expected to sell below costs, we checked the computations of the foreseeable losses. We also considered the adequacy of the disclosures in respect of the allowance for foreseeable losses presented in the financial statements for these properties.

Our findings:

In estimating future selling price for the purpose of management's assessment, the Group takes into account macroeconomic and real estate price trend information and planned capital management considerations. Management has applied its knowledge of the business in its regular review of these estimates.

We found that reasonable estimates were made in the determination of net realisable values and allowance for foreseeable losses. We also found the disclosures to be appropriate in describing the allowance for foreseeable losses made for development properties held for sale.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

Accounting for investments in REITs

(Refer to Note 13(a) to the financial statements)

Risk:

The Group's capital management strategy involves the holding of a number of listed real estate investment trusts ("REIT"), which are managed by the Group. The Group holds differing levels of equity stakes in these REITs.

The accounting treatment for the investments in REITs is dependent on the Group's relationship with the REITs. The determination of the Group's relationship with these REITs is the result of accounting judgement on many factors principally, the extent of its voting stake holding, the relationship with other stakeholders, the constitutional arrangements for the trust, its manager and its trustee, and the extent to which the Group's equity stake increases when management fees are paid in additional trust units. REITs that are determined to be subsidiaries are consolidated into the Group's financial statements, whereas REITs that are determined to be associates are equity-accounted for. An inappropriate classification can have a material effect on the financial statements.

Our response:

We assessed the Group's processes for the review and the determination of the accounting for its investments in REITs. We examined the legal documents and business arrangements relating to the constitution of the REITs, decision-making over their activities and operations of the manager. We also considered the economic stakes of the Group held through ownership interests in the REITs and the management fee arrangements; and the disclosure of the assessment of the relationships with the REITs.

Our findings:

The Group has processes in place to periodically review and re-assess its relationship with the REITs it manages and whether previously applied accounting treatments remain appropriate.

The judgements exercised by the Group in these processes reflect realistic assessments of its relationship with the REITs. The disclosures on the basis of accounting for the Group's interests in these REITs are appropriate.

Other matter

The financial statements of the Company for the year ended 30 September 2015 were audited by another auditor who expressed an unmodified opinion on those statements on 19 November 2015.

Other information

Management is responsible for the other information. The other information comprises: Vision, Mission and FCL Group Strategies, FCL Group at a Glance, Our Global Presence, Our Milestones, Group Structure, Financial Highlights, Board of Directors, Group Management, Corporate Information, Chairman's Statement, Group CEO's Statement, Business Review, Investor Relations, Treasury Highlights, Sustainability Report, Awards and Accolades, Enterprise-wide Risk Management, Corporate Governance Report, Directors' Statement, Particulars of Group Properties, Interested Person Transactions and FCL Fact Sheet, but does not include the financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and Shareholding Statistics and Notice of Annual General Meeting (the "Reports"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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 that we obtained prior to the date of this auditors' 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.

When we read the other information made available to us after the date of this report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors 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 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 directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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.

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

- 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 controls.
- 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT

MEMBERS OF THE COMPANY
FRASERS CENTREPOINT LIMITED

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- 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 directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the 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.

The engagement partner on the audit resulting in this independent auditors' report is Ronald Tay Ser Teck.

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
28 November 2016

CONSOLIDATED PROFIT STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	Group	
		2016 \$'000	2015 \$'000
REVENUE	3	3,439,592	3,561,525
Cost of sales	4a	(2,406,856)	(2,479,360)
GROSS PROFIT		1,032,736	1,082,165
Other income/(losses)	4b	(6,527)	(8,400)
Administrative expenses	4c	(259,387)	(248,433)
TRADING PROFIT	4	766,822	825,332
Share of results of joint ventures and associates, net of tax	14	171,377	279,430
PROFIT BEFORE INTEREST, FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS		938,199	1,104,762
Interest income	5	25,296	36,799
Interest expense	6	(167,504)	(186,157)
NET INTEREST EXPENSE		(142,208)	(149,358)
PROFIT BEFORE FAIR VALUE CHANGE, TAXATION AND EXCEPTIONAL ITEMS		795,991	955,404
Fair value change on investment properties	11	159,711	243,350
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS		955,702	1,198,754
Exceptional items	7	4,641	(2,205)
PROFIT BEFORE TAXATION		960,343	1,196,549
Taxation	8	(194,197)	(184,174)
PROFIT FOR THE YEAR		766,146	1,012,375
ATTRIBUTABLE PROFIT:			
– before fair value change and exceptional items		479,863	543,830
– fair value change		106,250	219,612
– exceptional items		11,106	7,832
		597,219	771,274
Non-controlling interests		168,927	241,101
PROFIT FOR THE YEAR		766,146	1,012,375
EARNINGS PER SHARE	9		
Basic earnings per share		18.4¢	25.0¢
Diluted earnings per share		18.2¢	24.9¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Group	
	2016 \$'000	2015 \$'000
PROFIT FOR THE YEAR	766,146	1,012,375
OTHER COMPREHENSIVE INCOME		
<i>Items that may be reclassified subsequently to profit statement:</i>		
Net fair value change of cash flow hedges	(123,726)	33,718
Foreign currency translation	21,143	(475,431)
Share of other comprehensive income of joint ventures and associates	(56)	175
Realisation of reserves on disposal of a joint venture and an associate	–	(1,277)
Other comprehensive income for the year, net of tax	(102,639)	(442,815)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	663,507	569,560
ATTRIBUTABLE TO:		
– shareholders of the Company	427,323	357,834
– holders of perpetual securities	64,456	46,924
– non-controlling interests	171,728	164,802
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	663,507	569,560

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

BALANCE SHEETS

AS AT 30 SEPTEMBER 2016

	Note	Group		Company	
		30 September 2016 \$'000	30 September 2015 \$'000	30 September 2016 \$'000	30 September 2015 \$'000
NON-CURRENT ASSETS					
Investment properties	11	13,494,019	12,951,192	1,600	1,600
Property, plant and equipment	12	1,972,282	1,991,014	1	–
Investments in:					
– subsidiaries	13	–	–	1,799,896	1,672,524
– joint ventures	14	240,213	334,928	500	500
– associates	14	552,800	250,460	–	–
Financial assets	15	2,162	2,165	2,148	2,148
Intangible assets	16	681,736	721,164	–	–
Prepayments	17	3,074	8,349	–	–
Other receivables	18	228,644	241,476	1,414,431	2,721,722
Deferred tax assets	19	55,160	169,724	–	–
Derivative financial instruments	21	2,136	55,935	225	19,463
		17,232,226	16,726,407	3,218,801	4,417,957
CURRENT ASSETS					
Inventory		5,679	7,473	–	–
Properties held for sale	20	3,997,551	3,922,672	–	–
Prepaid land and development costs	17	60,455	19,877	–	–
Other prepayments	17	52,602	41,328	51	47
Trade and other receivables	18	677,821	843,505	1,960,927	293,465
Derivative financial instruments	21	9,361	20,167	–	5,352
Bank deposits	22	437,337	–	–	–
Cash and cash equivalents	22	1,731,343	1,373,140	67,516	9,064
Assets held for sale	23	–	112,123	–	–
		6,972,149	6,340,285	2,028,494	307,928
TOTAL ASSETS		24,204,375	23,066,692	5,247,295	4,725,885
CURRENT LIABILITIES					
Trade and other payables	24	1,694,961	1,314,648	196,222	29,865
Derivative financial instruments	21	46,924	24,602	263	8,006
Provision for taxation		236,971	192,953	14,905	12,510
Loans and borrowings	25	1,470,116	1,020,137	–	–
		3,448,972	2,552,340	211,390	50,381
NET CURRENT ASSETS		3,523,177	3,787,945	1,817,104	257,547
		20,755,403	20,514,352	5,035,905	4,675,504
NON-CURRENT LIABILITIES					
Other payables	24	290,426	253,751	1,308	207,077
Derivative financial instruments	21	89,994	36,592	32,484	19,617
Deferred tax liabilities	19	206,078	317,736	–	–
Loans and borrowings	25	8,325,421	9,255,320	–	–
		8,911,919	9,863,399	33,792	226,694
NET ASSETS		11,843,484	10,650,953	5,002,113	4,448,810
SHARE CAPITAL AND RESERVES					
Share capital	26	1,766,800	1,759,858	1,766,800	1,759,858
Retained earnings		5,222,073	4,995,420	3,033,213	2,490,922
Other reserves	27	(327,733)	(245,798)	202,100	198,030
Equity attributable to Owners of the Company		6,661,140	6,509,480	5,002,113	4,448,810
NON-CONTROLLING INTERESTS					
– PERPETUAL SECURITIES	29	1,391,783	1,293,254	–	–
		8,052,923	7,802,734	5,002,113	4,448,810
NON-CONTROLLING INTERESTS – OTHERS					
		3,790,561	2,848,219	–	–
TOTAL EQUITY		11,843,484	10,650,953	5,002,113	4,448,810

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Attributable to Owners of the Company				Non-Controlling Interest – Perpetual Securities (Note 29) \$'000	Total \$'000	Non-Controlling Interests – Others \$'000	Total Equity \$'000
	Share Capital (Note 26) \$'000	Retained Earnings \$'000	Other Reserves, (Note 27) \$'000	Equity Attributable to Owners of the Company, Total \$'000				
Group								
2016								
Opening balance at 1 October 2015	1,759,858	4,995,420	(245,798)	6,509,480	1,293,254	7,802,734	2,848,219	10,650,953
Profit for the year	–	532,763	–	532,763	64,456	597,219	168,927	766,146
Other comprehensive income								
Net fair value change of cash flow hedges	–	–	(103,204)	(103,204)	–	(103,204)	(20,522)	(123,726)
Foreign currency translation	–	–	(2,180)	(2,180)	–	(2,180)	23,323	21,143
Share of other comprehensive income of joint ventures and associates	–	(20,588)	20,532	(56)	–	(56)	–	(56)
Other comprehensive income for the year, net of tax	–	(20,588)	(84,852)	(105,440)	–	(105,440)	2,801	(102,639)
Total comprehensive income for the year	–	512,175	(84,852)	427,323	64,456	491,779	171,728	663,507
Contributions by and distributions to owners								
Ordinary shares issued	6,942	–	(6,942)	–	–	–	–	–
Employee share-based expense	–	–	10,189	10,189	–	10,189	–	10,189
Dividends paid (Note 30)	–	(69,909)	(179,491)	(249,400)	–	(249,400)	(206,821)	(456,221)
Dividends proposed (Note 30)	–	(179,800)	179,800	–	–	–	–	–
Total contributions by and distributions to owners	6,942	(249,709)	3,556	(239,211)	–	(239,211)	(206,821)	(446,032)
Changes in ownership interests in subsidiaries								
Units issued to non-controlling interests	–	–	–	–	–	–	1,000,475	1,000,475
Acquisition of non-controlling interests in subsidiaries without change in control	–	(42,173)	–	(42,173)	–	(42,173)	411	(41,762)
Change in interests in subsidiaries without change in control	–	16,544	(639)	15,905	–	15,905	(4,658)	11,247
Issuance costs incurred by subsidiaries	–	(10,184)	–	(10,184)	–	(10,184)	(18,793)	(28,977)
Total changes in ownership interests in subsidiaries	–	(35,813)	(639)	(36,452)	–	(36,452)	977,435	940,983
Total transactions with owners in their capacity as owners	6,942	(285,522)	2,917	(275,663)	–	(275,663)	770,614	494,951
Contributions by and distributions to perpetual securities holders								
Issue of perpetual securities, net of costs	–	–	–	–	98,529	98,529	–	98,529
Distributions to perpetual securities holders	–	–	–	–	(64,456)	(64,456)	–	(64,456)
Total contributions by and distributions to perpetual securities holders	–	–	–	–	34,073	34,073	–	34,073
Closing balance at 30 September 2016	1,766,800	5,222,073	(327,733)	6,661,140	1,391,783	8,052,923	3,790,561	11,843,484

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016 (CONT'D)

	Attributable to Owners of the Company					Non-Controlling Interest – Perpetual Securities (Note 29) \$'000	Non-Controlling Interests – Others \$'000	Total Equity \$'000
	Share Capital (Note 26) \$'000	Retained Earnings \$'000	Other Reserves, (Note 27) \$'000	Equity Attributable to Owners of the Company, Total \$'000	Total \$'000			
Group								
2015								
Opening balance at 1 October 2014	1,753,977	4,543,167	117,154	6,414,298	597,654	7,011,952	2,611,598	9,623,550
Profit for the year	–	724,350	–	724,350	46,924	771,274	241,101	1,012,375
Other comprehensive income								
Net fair value change of cash flow hedges	–	–	24,839	24,839	–	24,839	8,879	33,718
Foreign currency translation	–	–	(390,253)	(390,253)	–	(390,253)	(85,178)	(475,431)
Share of other comprehensive income of joint ventures and associates	–	–	175	175	–	175	–	175
Realisation of reserves on disposal of a joint venture and an associate	–	–	(1,277)	(1,277)	–	(1,277)	–	(1,277)
Other comprehensive income for the year, net of tax	–	–	(366,516)	(366,516)	–	(366,516)	(76,299)	(442,815)
Total comprehensive income for the year	–	724,350	(366,516)	357,834	46,924	404,758	164,802	569,560
Contributions by and distributions to owners								
Ordinary shares issued	5,881	–	(5,881)	–	–	–	–	–
Employee share-based expense	–	–	9,003	9,003	–	9,003	–	9,003
Dividends paid (Note 30)	–	(69,803)	(179,168)	(248,971)	–	(248,971)	(185,938)	(434,909)
Dividends proposed (Note 30)	–	(179,491)	179,491	–	–	–	–	–
Total contributions by and distributions to owners	5,881	(249,294)	3,445	(239,968)	–	(239,968)	(185,938)	(425,906)
Changes in ownership interests in subsidiaries								
Dilution of interests in subsidiaries without change in control	–	(22,223)	45	(22,178)	–	(22,178)	259,039	236,861
Issuance costs incurred by subsidiaries	–	(580)	74	(506)	–	(506)	(1,282)	(1,788)
Total changes in ownership interests in subsidiaries	–	(22,803)	119	(22,684)	–	(22,684)	257,757	235,073
Total transactions with owners in their capacity as owners	5,881	(272,097)	3,564	(262,652)	–	(262,652)	71,819	(190,833)
Contributions by and distributions to perpetual securities holders								
Issue of perpetual securities, net of costs	–	–	–	–	695,600	695,600	–	695,600
Distributions to perpetual securities holders	–	–	–	–	(46,924)	(46,924)	–	(46,924)
Total contributions by and distributions to perpetual securities holders	–	–	–	–	648,676	648,676	–	648,676
Closing balance at 30 September 2015	1,759,858	4,995,420	(245,798)	6,509,480	1,293,254	7,802,734	2,848,219	10,650,953

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016 (CONT'D)

	Share Capital (Note 26) \$'000	Retained Earnings \$'000	Other Reserves (Note 27) \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company 2016							
Opening balance at 1 October 2015	1,759,858	2,490,922	198,030	3,217	15,322	179,491	4,448,810
Profit for the year	-	792,000	-	-	-	-	792,000
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	483	483	-	-	483
Total comprehensive income for the year	-	792,000	483	483	-	-	792,483
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	6,942	-	(6,942)	-	(6,942)	-	-
Employee share-based expense	-	-	10,220	-	10,220	-	10,220
Dividends paid (Note 30)	-	(69,909)	(179,491)	-	-	(179,491)	(249,400)
Dividends proposed (Note 30)	-	(179,800)	179,800	-	-	179,800	-
Total contributions by and distributions to owners	6,942	(249,709)	3,587	-	3,278	309	(239,180)
Closing balance at 30 September 2016	1,766,800	3,033,213	202,100	3,700	18,600	179,800	5,002,113

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2016 (CONT'D)

	Share Capital (Note 26) \$'000	Retained Earnings \$'000	Other Reserves (Note 27) \$'000	Hedging Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Total Equity \$'000
Company							
2015							
Opening balance at 1 October 2014	1,753,977	2,212,590	194,104	2,736	12,200	179,168	4,160,671
Profit for the year	-	527,626	-	-	-	-	527,626
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	-	-	481	481	-	-	481
Total comprehensive income for the year	-	527,626	481	481	-	-	528,107
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	5,881	-	(5,881)	-	(5,881)	-	-
Employee share-based expense	-	-	9,003	-	9,003	-	9,003
Dividends paid (Note 30)	-	(69,803)	(179,168)	-	-	(179,168)	(248,971)
Dividends proposed (Note 30)	-	(179,491)	179,491	-	-	179,491	-
Total contributions by and distributions to owners	5,881	(249,294)	3,445	-	3,122	323	(239,968)
Closing balance at 30 September 2015	1,759,858	2,490,922	198,030	3,217	15,322	179,491	4,448,810

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	Group	
		2016 \$'000	2015 \$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit after taxation		766,146	1,012,375
Adjustments for:			
Depreciation of property, plant and equipment	12	52,877	40,027
Fair value change on investment properties		(159,711)	(243,350)
Share of results of joint ventures and associates, net of tax	14	(171,377)	(279,430)
Amortisation of intangible assets	16	1,646	741
Loss on disposal of property, plant and equipment	4b	849	388
Allowance for doubtful trade receivables, net	4a	2,504	154
Bad debts written off		103	10
Write-down to net realisable value of properties held for sale	4a	47,110	45,417
Employee share-based expense	4c	10,189	9,003
Goodwill on acquisition of subsidiaries written off	7	1,129	–
Gain on acquisition of an associate	7	(954)	–
Gain on disposal of a subsidiary	4b	–	(37,506)
Gain on disposal of joint ventures and associates	7	(15,483)	(13,954)
Net fair value change on foreign currency forward contracts	4b	(13,960)	10,346
Interest income	5	(25,296)	(36,799)
Interest expense	6	167,504	186,157
Tax expense	8	194,197	184,174
Exchange difference		29,835	(234,493)
Operating cash flow before working capital changes		887,308	643,260
Change in trade and other receivables		156,698	436,097
Change in trade and other payables		424,654	(628,293)
Change in properties held for sale		(241,446)	327,262
Change in inventory		4,172	(155)
Cash generated from operations		1,231,386	778,171
Income taxes paid		(134,407)	(94,107)
Net cash generated from operating activities		1,096,979	684,064
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of/development expenditure on investment properties	11	(717,619)	(1,526,508)
Purchase of property, plant and equipment	12	(62,269)	(45,280)
Proceeds from disposal of investment properties	11	452,141	–
Proceeds from disposal of property, plant and equipment		88	2
Investments in/loans to joint ventures and associates		(374,725)	(151,823)
Repayments of loans from joint ventures and associates		40,223	93,896
Dividends from joint ventures and associates		196,535	349,924
Settlement of hedging instruments		31,176	25,489
Interest received		17,547	34,981
Acquisition of subsidiaries, net of cash acquired	13b	(77,010)	(257,698)
Disposal of a subsidiary, net of cash disposed of		78,933	(9,820)
Proceeds from disposal of joint ventures and associates		17,875	86,307
Proceeds from disposal of assets held for sale		112,746	–
Purchase of structured deposits		(437,337)	–
Net cash used in investing activities		(721,696)	(1,400,530)

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

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2016 (CONT'D)

		Group	
	Note	2016 \$'000	2015 \$'000
CASH FLOW FROM FINANCING ACTIVITIES			
Contributions from non-controlling interests of subsidiaries without change in control		1,000,475	236,861
Dividends paid to non-controlling interests		(206,821)	(185,938)
Dividends paid to shareholders		(249,400)	(248,971)
Proceeds from bank borrowings		2,335,102	4,319,825
Repayment of bank borrowings		(3,275,214)	(3,881,100)
Proceeds from issue of retail bonds, net of costs		521,401	497,518
Proceeds from issue of perpetual securities, net of costs	29	98,529	695,600
Distributions to perpetual securities holders		(64,456)	(46,924)
Interest paid		(165,687)	(166,057)
Issuance costs		(23,665)	(1,788)
Repayment of amounts due to non-controlling interests		(26,487)	–
Net cash (used in)/generated from financing activities		(56,223)	1,219,026
Net change in cash and cash equivalents		319,060	502,560
Cash and cash equivalents at beginning of year		1,367,505	867,938
Effects of exchange rate on opening cash		41,632	(2,993)
Cash and cash equivalents at end of year		1,728,197	1,367,505
Cash and cash equivalents at end of period:			
Fixed deposits, current		587,768	642,127
Cash and bank balances		1,143,575	731,013
	22	1,731,343	1,373,140
Bank overdraft, unsecured	25	(3,146)	(5,635)
Cash and cash equivalents at end of year		1,728,197	1,367,505
Analysis of Acquisitions of Subsidiaries			
Net assets acquired:			
Property, plant and equipment		76,126	548,137
Intangible assets		–	204,103
Inventories		2,378	24,422
Trade and other payables		(2,647)	(85,062)
Provision for taxation		(66)	–
Non-current liabilities		–	(493,979)
Cash and cash equivalents		1,388	28,088
Fair value of net assets		77,179	225,709
Goodwill on acquisition of subsidiaries		1,129	60,077
Exchange difference		90	–
Consideration paid in cash		78,398	285,786
Cash and cash equivalents of subsidiaries acquired		(1,388)	(28,088)
Cash flow on acquisition, net of cash and cash equivalents acquired	13b	77,010	257,698

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2016 (CONT'D)

		Group	
	Note	2016 \$'000	2015 \$'000
Analysis of Disposal of Subsidiary			
Net assets disposed:			
Property, plant and equipment		-	(19)
Properties held for sale		-	(62,313)
Trade and other receivables		-	(1,128)
Cash and cash equivalents		-	(9,820)
Trade and other payables		-	2,414
Provision for taxation		-	3,109
Loans and borrowings		-	26,330
			<hr/>
		-	(41,427)
Gain on disposal		-	(37,506)
			<hr/>
Consideration received		-	(78,933)
Less: Cash of subsidiary disposed of		-	9,820
Less: Cash held in escrow account	18	-	78,933
			<hr/>
Net cash outflow on disposal of subsidiary		-	9,820
			<hr/>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

These notes form an integral part of the financial statements.

The financial statements for the financial year ended 30 September 2016 were authorised for issue in accordance with a resolution of the Directors on 28 November 2016.

1. CORPORATE INFORMATION

Frasers Centrepoint Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore. On 9 January 2014, the Company commenced trading on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). TCC Assets Limited, incorporated in the British Virgin Islands, is the immediate and ultimate holding company.

The registered office and principal place of business of the Company is located at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The principal activity of the Company is investment holding.

The principal activities of the significant subsidiaries, joint arrangements and associates are set out in Note 40.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The complete set of consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") and the Group's interest in equity-accounted investees as at and for the year ended 30 September 2016 are prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("S\$" or "S\$"). All financial information presented in Singapore Dollars has been rounded to the nearest thousand, unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year.

2.2 Significant Accounting Judgements and Estimates

The preparation of the Group's consolidated 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 expenses and the disclosure of contingent liabilities at the balance sheet date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities and which are not readily apparent from other sources.

Estimates and underlying assumptions are revised 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant Accounting Judgements and Estimates (cont'd)

(a) Key Sources of Estimation Uncertainty

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

(i) Revenue Recognition and Estimation of Total Development Costs

For Singapore property development projects under progressive payment scheme, the Group recognises revenue and cost of sales from development properties held for sale based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2.18. Estimates are required in determining the total estimated development costs which will affect the stage of completion. In making these assumptions, the Group relies on references to information such as current offers and/or recent contracts with contractors and suppliers, estimation of construction and material costs based on historical experience, and the work of professional surveyors and architects. Revenue from development properties held for sale is disclosed in Note 3.

(ii) Valuation of Completed Investment Properties

The Group's completed investment properties are stated at their fair values, which are determined annually. The fair values are based on independent professional valuations conducted annually, except for certain overseas properties whereby valuations are performed internally every year and at least once every two years; independent professional valuations are obtained for cross-checking purposes. The fair value of completed investment properties is determined using a combination of the market comparison method, discounted cash flow method and capitalisation method. These estimated market values may differ from the prices at which the Group's completed investment properties could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within the directors' control, such as overall market conditions. As a result, actual results of operations and realisation of these completed investment properties could differ from the estimates set forth in these financial statements, and the difference could be significant. The carrying amount of completed investment properties is disclosed in the Group's balance sheet.

The Group's valuation policies and procedures are disclosed in Notes 11 and 34.

(iii) Valuation of Investment Properties under Construction ("IPUC")

IPUC are measured at fair value if they can be reliably determined. If fair values cannot be reliably determined, then IPUC are recorded at cost. The fair values of IPUC are determined using a combination of market comparison method, discounted cash flow method and residual land value method which considers the significant risks which are relevant to the development process, including but not limited to construction and letting risks.

The Group's valuation policies and procedures are disclosed in Notes 11 and 34.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant Accounting Judgements and Estimates (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

(iv) Net Realisable Value of Properties Held for Sale

Properties held for sale are carried at lower of cost and net realisable value.

A write-down to net realisable value is made for properties held for sale when the net realisable value has fallen below cost. In arriving at estimates of net realisable values, management considers factors such as current market conditions, recent selling prices of the development properties and comparable development properties less the estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amounts of properties held for sale are disclosed in Note 20.

(v) Impairment of Intangible Assets – Goodwill and Brands

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Note 16.

The valuations of the goodwill arising from business combinations and Brands are disclosed in Notes 13(b) and 16.

(vi) Income Taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant assumptions are required in determining the group-wide provision for income taxes. The ultimate tax determination of taxability of income and deductibility of expenses from certain transactions are uncertain during the ordinary course of business. The tax computations of newly created tax consolidated groups arising from business combinations would also be subject to uncertainty and formal assessment by tax authorities. The Group recognises the liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of provision for taxation, deferred tax assets and liabilities are as disclosed in the Group's balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant Accounting Judgements and Estimates (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

(vii) Land Appreciation Tax

Under the Provisional Regulations on Land Appreciation Tax ("LAT") implemented upon the issuance of the Provisional Regulations of the People's Republic of China on 27 January 1995, all gains arising from the transfer of real estate property in China effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditure including amortisation of land use rights, borrowing costs and all property development expenditure.

The subsidiaries of the Group engaging in property development business in China are subject to land appreciation tax. However, the implementation of this tax varies amongst China cities and the Group has not finalised its land appreciation tax returns with various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management's best estimates. When the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the provisions for land appreciation tax in the period in which such determination is made.

(b) Critical Judgements made in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have significant effects on the amounts recognised in the consolidated financial statements:

(i) Operating Lease Commitments – Group as Lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

(ii) Classification of Property

In determining whether a property is classified as investment property or property, plant and equipment, the Group determines the business model and how much space is allocated to ancillary services. The Group further analyses whether the quantum of other income derived from ancillary services rendered is significant as compared to total revenue and other qualitative factors such as the accommodation and amenities offerings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Significant Accounting Judgements and Estimates (cont'd)

(b) *Critical Judgements made in Applying Accounting Policies (cont'd)*

(iii) Business Combinations

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary (e.g. maintenance, cleaning, security, bookkeeping, hotel services). For example, the Group assessed the acquisitions of the subsidiaries as disclosed in Note 13(b) as purchases of businesses because of the strategic management function and associated processes purchased along with the investment and development properties.

When the acquisition of a subsidiary does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

2.3 Basis of Consolidation and Business Combinations

(a) *Basis of Consolidation*

The financial year of the Company and all its subsidiaries ends on 30 September unless otherwise stated. The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to 30 September. The financial statements of subsidiaries are prepared using consistent accounting policies. Adjustments are made to any dissimilar material accounting policies to conform to the Group's significant accounting policies. A list of the Group's significant subsidiaries is shown in Note 40.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest ("NCI") even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation and Business Combinations (cont'd)

(b) Business Combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs, other than those associated with the issue of debt or equity securities, incurred in connection with a business combination are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. Subsequent changes to the fair value of the contingent consideration is recognised in the profit statement. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit statement.

The Group elects for each individual business combination, whether NCI in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the NCI's proportionate share of the acquiree's identifiable net assets. Other components of NCI are measured on their acquisition date at fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of NCI in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is disclosed in Note 2.9(a). When the excess is negative, a bargain purchase is recognised in the profit statement on the acquisition date.

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

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation and Business Combinations (cont'd)

(b) *Business Combinations (cont'd)*

Transactions with NCI

NCI represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated profit statement and consolidated statement of comprehensive income, and within equity in the consolidated balance sheet, separately from the equity attributable to owners of the Company. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any NCI and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(c) *Property Acquisitions and Business Combinations*

Where property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business. The basis of the judgement is set out in Note 2.2(b)(v).

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. In such cases, the acquirer shall identify and recognise the individual identifiable asset acquired and liabilities assumed. The cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values at the acquisition date. Such a transaction or event does not give rise to goodwill.

2.4 Investments in Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Joint Arrangements and Associates

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

(a) Joint Operations

The Group recognises in relation to its interest in a joint operation, its:

- assets, including its share of any assets held jointly;
- liabilities, including its share of any liabilities incurred jointly;
- revenue from the sale of its share of the output arising from the joint operation;
- share of the revenue from the sale of the output by the joint operation; and
- expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interests in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

(b) Joint Ventures and Associates

An associate is an entity over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control of those policies. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investments in associates or joint ventures are carried on the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit statement reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income ("OCI") by the associates or joint ventures, the Group recognises its share of such changes in OCI. Unrealised gains and losses resulting from transactions between the Group and associates or joint ventures are eliminated to the extent of the interest in the associates or joint ventures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Joint Arrangements and Associates (cont'd)

(b) Joint Ventures and Associates (cont'd)

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in associates or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit statement.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

The financial statements of joint ventures and associates are prepared at the same reporting date as the Group. Where the accounting period of the joint ventures and associates is not co-terminous with that of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the accounting period. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, interests in joint ventures and associates are carried at cost less impairment losses.

2.6 Investment Properties

(a) Completed Investment Properties

Completed investment properties are held either to earn rental income or for capital appreciation or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or for sale in the ordinary course of business and are treated as non-current assets.

Completed investment properties are measured at cost on initial recognition. Costs include expenditure that is directly attributable to the acquisition of investment properties. Subsequent to recognition, completed investment properties are measured at fair value and gains or losses arising from changes in the fair value of completed investment properties are included in the profit statement in the year in which they arise.

Completed investment properties are derecognised when either they have been disposed of or when the completed investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of a completed investment property are recognised in the profit statement in the year of retirement or disposal. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Investment Properties (cont'd)

(a) Completed Investment Properties (cont'd)

Transfers are made to or from completed investment properties only when there is a change in use. For a transfer from completed investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to completed investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

(b) Investment Properties under Construction

IPUC are initially stated at cost, which includes cost of land and construction, related overhead expenditure and financing charges incurred during the period of construction and up to the completion of construction.

IPUC are subsequently measured at fair value annually and on completion, with changes in fair values being recognised in the profit statement when fair value can be measured reliably.

When completed, IPUC are transferred to completed investment properties.

IPUC for which fair value cannot be determined reliably is measured at cost less impairment.

2.7 Properties Held for Sale

(a) Development Properties Held for Sale

Development properties held for sale are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties held for sale are held as inventories and are measured at the lower of cost and net realisable value.

The costs of development properties held for sale include:

- freehold and leasehold rights for land;
- amounts paid to contractors for construction; and
- borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

Net realisable value of development properties held for sale is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Properties Held for Sale (cont'd)

(a) *Development Properties Held for Sale (cont'd)*

Development properties held for sale are stated at cost plus attributable profits less progress billings if their revenue is recognised based on percentage of completion method (see accounting policy for revenue recognition disclosed in Note 2.18).

Where revenue is recognised upon completion, development properties held for sale are stated at cost and payments received from purchasers prior to completion are included in "trade and other payables" as "progress billings received in advance".

Progress billings not yet paid by customers are included within "trade and other receivables".

The costs of development properties recognised in profit statement on disposal are determined with reference to the specific costs incurred on the property sold.

When completed, development properties held for sale are transferred to completed properties held for sale.

(b) *Completed Properties Held for Sale*

Completed properties held for sale are stated at the lower of cost and net realisable value. Costs include cost of land and construction, related overhead expenditure, and financing charges and other related costs incurred during the period of development.

A write-down to net realisable value is made when it is anticipated that the net realisable value has fallen below cost.

2.8 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use and estimate of the costs of dismantling and removing the items and restoring the site on which they are located when the Group has an obligation to remove the asset or restore the site. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repair are charged to the profit statement. Where 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. When assets are sold or retired, their cost and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in the profit statement.

Property, plant and equipment except freehold lands, leasehold lands of more than 100 years and assets under construction, are depreciated on the straight line method so as to write-off the cost of the assets over their estimated useful lives. No depreciation is provided on freehold lands, leasehold lands of more than 100 years and assets under construction. The estimated useful lives of the Group's property, plant and equipment are as follows:

Leasehold lands (less than 100 years)	Lease term
Buildings	50 years
Equipment, furniture and fittings	5 to 10 years
Motor vehicles	7 years
Others ¹	5 to 10 years

¹ Others comprise computer hardware and software and office renovations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Property, Plant and Equipment (cont'd)

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, depreciation method and residual values are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Assets under construction are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed.

Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in profit statement to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit statement. When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

2.9 Intangible Assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in profit statement in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Intangible Assets (cont'd)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit statement when the asset is derecognised.

(a) *Goodwill*

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

Goodwill is reviewed for impairment, at least annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(b) *Brands*

The brands were acquired in business combinations. The useful lives of the brands are estimated to be indefinite because based on the current market share of the brands, management believes there is no foreseeable limit to the period over which the brands are expected to generate net cash inflows for the Group.

(c) *Favourable Leases*

Favourable leases acquired in a business combination are initially measured at cost and are amortised on a straight line basis over the lease term of 35 to 70 years.

2.10 Non-Derivative Financial Assets

(a) *Initial Recognition and Measurement*

Non-derivative financial assets within the scope of FRS 39 are classified as either non-derivative financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. Non-derivative financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When non-derivative financial assets are recognised initially, they are measured at fair value, plus, in the case of non-derivative financial assets not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its non-derivative financial assets at initial recognition.

(b) *Subsequent Measurement*

The subsequent measurement of non-derivative financial assets depends on their classification as follows:

(i) Loans and Receivables

Non-derivative financial assets with fixed or determinable payment that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the profit statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Non-Derivative Financial Assets (cont'd)

(b) Subsequent Measurement (cont'd)

(ii) Available-for-Sale Financial Assets

Available-for-sale financial assets are those that are not classified in any of the other categories. After initial recognition, available-for-sale financial assets are measured at fair value, with any resultant gain or loss recognised in OCI, except that impairment losses, foreign exchange gains and losses on debt instruments and interest calculated using the effective interest method are recognised in profit statement. The cumulative gain or loss previously recognised in OCI is reclassified from equity to profit statement as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

(c) *Derecognition*

A non-derivative financial asset is derecognised when the contractual rights to receive cash flows from the asset have expired, or it transfers the rights to receive the contractual cash flows on the non-derivative financial asset in a transaction in which substantially all the risks and rewards of ownership of the non-derivative financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in transferred non-derivative financial assets that is created or retained by the Group is recognised as a separate asset or liability.

On derecognition of a non-derivative financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that has been recognised in OCI is recognised in the profit statement.

Non-derivative 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.

2.11 Cash and Cash Equivalents

Cash on hand and in banks and fixed deposits which are held to maturity are classified and accounted for as loans and receivables under FRS 39. The accounting policy is stated in Note 2.10.

2.12 Non-Derivative Financial Liabilities

(a) *Initial Recognition and Measurement*

Non-derivative financial liabilities within the scope of FRS 39 are classified as other financial liabilities. The non-derivative financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Non-derivative financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Non-Derivative Financial Liabilities (cont'd)

(b) *Subsequent Measurement*

Subsequent to initial recognition, non-derivative financial liabilities are measured at amortised cost using the effective interest method.

(c) *Derecognition*

A non-derivative financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

Where an existing non-derivative financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit statement.

Non-derivative financial assets and liabilities are offset and the net amount presented in the balance sheet 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.

2.13 Derivative Financial Instruments

The Group uses derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. 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 the profit statement.

Foreign exchange forward contracts are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. Cross currency interest rate swaps and cross currency swaps are also used to hedge its risks associated with foreign currency and interest rate fluctuations. It is the Group's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value; any attributable transaction costs are recognised in the profit statement on the date a derivative contract is entered into. Subsequent to initial recognition, derivatives are measured at their fair value. The changes in fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the profit statement.

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting. For the purpose of hedge accounting, these hedges are classified as cash flow hedges. On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be 'highly effective' in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80% to 125%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Derivative Financial Instruments (cont'd)

Cash Flow Hedges

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in OCI in hedging reserve, while any ineffective portion is recognised immediately in the profit statement. Amounts recognised in OCI are transferred to the profit statement when the hedged transaction affects profit statement, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

Where the hedged item is a non-financial asset or non-financial liability, the amounts accumulated in equity is retained in OCI and reclassified to the profit statement in the same period or periods during which the non-financial item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, amounts previously recognised in shareholders' equity are transferred to the profit statement.

Hedge of Net Investment in a Foreign Operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the parent's functional currency, regardless of whether the net investment is held directly or through an intermediate parent.

In the entities' financial statements, foreign currency differences arising from the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in the profit statement. On consolidation, such differences are recognised in OCI and presented in the foreign currency translation reserve in the shareholders' equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the profit statement. When the hedged net investment is disposed off, the cumulative amount in OCI is transferred to the profit statement.

2.14 Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Impairment

(a) *Impairment of Non-Financial Assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount.

An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU 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 CGU. 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 CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses of continuing operations are recognised in profit statement, except for assets that are previously revalued where the revaluation was taken to OCI. In this case, the impairment is also recognised in OCI up to the amount of any previous revaluation. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the profit statement unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

The Group does not reverse in a subsequent period, any impairment loss recognised for goodwill.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Impairment (cont'd)

(b) *Impairment of Financial Assets*

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

(i) Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the profit statement.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Impairment (cont'd)

(b) Impairment of Financial Assets (cont'd)

(ii) Available-for-Sale Financial Assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit statement, is transferred from equity to the profit statement. Reversals in respect of equity instruments classified as available-for-sale are not recognised in the profit statement. Increase in the fair value after impairment are recognised directly in OCI. Reversals of impairment losses on debt instruments are reversed through the profit statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the profit statement.

2.16 Income Taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit statement except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss 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. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

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 profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Income Taxes (cont'd)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to 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 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.

2.17 Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur using the effective interest method. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

(a) *Properties Held for Sale*

(i) Sale of Completed Properties

Revenue from completed properties is recognised when the risks and rewards of ownership have been transferred to the purchaser either through the transfer of legal title or equitable interest in the properties, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Revenue Recognition (cont'd)

(a) *Properties Held for Sale (cont'd)*

(ii) Sale of Properties under Development

The Group recognises revenue on properties under development when the significant risks and rewards of ownership have been transferred to the purchasers. For residential development projects under progressive payment scheme in Singapore, whereby the legal terms in the sales contracts result in continuous transfer of work-in-progress to the purchasers, revenue is recognised based on the percentage of completion method. Under the percentage of completion method, profit is brought into profit statement only in respect of finalised sales contracts and to the extent that such profit relates to the progress of construction work. The progress of construction work is measured by the proportion of the construction and related costs incurred to date to the estimated total construction and related costs for each project.

For executive condominium projects in Singapore, residential development projects under deferred payment scheme in Singapore and overseas development projects, revenue will be recognised upon the transfer of significant risks and rewards of ownership, which generally coincides with the time the development units are delivered to the purchasers.

(b) *Rental Income*

Rental and related income from completed investment properties are recognised on a straight line basis over the lease term commencing on the date from which the lessee is entitled to exercise its right to use the leased asset.

(c) *Hotel Income*

Revenue from hotel operations is recognised on an accrual basis, upon rendering of the relevant services.

(d) *Dividends*

Dividend income is recognised when the Group's right to receive the payment is established.

(e) *Interest Income*

Interest income is recognised using the effective interest method.

(f) *Management Fees*

Management fee is recognised on an accrual basis.

2.19 Foreign Currencies

(a) *Functional Currency*

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity (the "functional currency"). The consolidated financial statements and financial statements of the Company are presented in Singapore dollars, the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Foreign Currencies (cont'd)

(b) Foreign Currency Transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries at rates of exchange approximating those ruling at transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the initial transaction dates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Foreign currency differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in the profit statement except for:

- (i) available for sale equity instruments (except impairment in which case foreign currency differences that have been recognised in OCI are reclassified to profit statement);
- (ii) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective;
- (iii) qualifying cash flow hedges to the extent the hedges are effective.

(c) Foreign Currency Translation

The results and financial position of foreign operations are translated into Singapore dollars using the following procedures:

- assets and liabilities for each balance sheet presented are translated at the closing rate ruling at that reporting date; and
- income and expenses for each profit statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions.

All resulting exchange differences are taken directly to OCI and accumulated in the foreign currency translation reserve in equity.

However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit statement as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit statement as part of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Foreign Currencies (cont'd)

(c) *Foreign Currency Translation (cont'd)*

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI and are accumulated in the foreign currency translation reserve in equity.

2.20 Employee Benefits

(a) *Defined Contribution Plan*

As required by law, the Group makes contributions to state pension schemes in accordance with local regulatory requirements. The pension contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

(b) *Employee Leave Entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the reporting date.

(c) *Share Plans*

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact of the revision of the original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to the original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimates due to market conditions.

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised for the period.

The proceeds received from the exercise of the equity instruments, net of any directly attributable transaction costs, are credited to share capital when the equity instruments are exercised.

2.21 Assets Held for Sale

Assets that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the applicable FRSs. Therefore, the assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit statement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(a) *As Lessee*

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) *As Lessor*

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is stated in Note 2.18. Contingent rents are recognised as revenue in the period in which they are earned.

2.23 Exceptional Items

Exceptional items are one-off items of income and expense of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group and Company for the year arising from non-recurring and non-operating transactions.

2.24 Share Capital, Perpetual Securities and Issuance Expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity and incidental costs directly attributable to the issuance of such shares are deducted against share capital. Proceeds from issuance of perpetual securities are recognised in equity and incidental costs directly attributable to the issuance of perpetual securities are deducted against the proceeds from the issue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.25 Contingencies

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the balance sheet of the Group and the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. REVENUE

	Group	
	2016	2015
	\$'000	\$'000
Properties held for sale:		
– recognised on completed contract method	1,800,307	2,180,230
– recognised on percentage of completion method	152,076	119,827
	<u>1,952,383</u>	<u>2,300,057</u>
Rent and related income	865,949	837,139
Hotel income	581,102	374,457
Fee income and others	40,158	49,872
	<u>3,439,592</u>	<u>3,561,525</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

4. TRADING PROFIT

Trading profit includes the following:

		Group	
	Note	2016 \$'000	2015 \$'000
(a) Cost of Sales includes:			
Cost of properties held for sale		(1,606,411)	(1,855,959)
Write-down to net realisable value of properties held for sale	20	(47,110)	(45,417)
Operating costs of investment properties that generated rental income		(308,181)	(217,435)
Operating costs of hotels		(318,115)	(153,722)
Depreciation of property, plant and equipment	12	(43,044)	(31,315)
Staff costs		(225,778)	(148,117)
Defined contribution plans		(13,957)	(12,679)
Allowance for doubtful trade receivables	18	(3,190)	(782)
Write-back of allowance for doubtful trade receivables	18	686	628
		686	628
(b) Other Income/(Losses) includes:			
Fair value gain/(loss) on foreign currency forward contracts		13,960	(10,346)
Foreign exchange loss		(26,466)	(41,435)
Loss on disposal of property, plant and equipment		(849)	(388)
Gain on disposal of a subsidiary		–	37,506
Others		6,828	6,263
		(6,527)	(8,400)
(c) Administrative Expenses includes:			
Depreciation of property, plant and equipment	12	(9,833)	(8,712)
Amortisation of intangible assets	16	(1,646)	(741)
Audit fees paid to:			
– auditors of the Company		(1,272)	(1,127)
– other auditors		(2,309)	(1,921)
Non-audit fees paid to:			
– auditors of the Company		(557)	(304)
– other auditors		(1,044)	(604)
Directors of the Company:			
– Fee		(955)	(919)
– Remuneration of members of Board Committees		(783)	(706)
Key executive officers:			
– Remuneration		(8,123)	(6,437)
– Provident fund contribution		(104)	(69)
– Employee share-based expense		(2,930)	(2,464)
Staff costs		(128,288)	(101,616)
Defined contribution plans		(9,098)	(6,821)
Employee share-based expense		(7,259)	(4,052)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

5. INTEREST INCOME

	Group	
	2016	2015
	\$'000	\$'000
Interest income from loans and receivables:		
– Related companies	10,235	11,791
– Non-controlling interest	–	3,234
– Fixed deposits and bank balances	15,061	15,974
	<u>25,296</u>	<u>30,999</u>
Interest rate swaps:		
– Unrealised	–	1,653
– Realised	–	4,147
	<u>25,296</u>	<u>36,799</u>

6. INTEREST EXPENSE

	Group	
	2016	2015
	\$'000	\$'000
Interest expense:		
– Loans and borrowings	(157,867)	(152,451)
– Related parties	(78)	(43)
	<u>(157,945)</u>	<u>(152,494)</u>
Interest rate swaps:		
– Unrealised	(1,852)	(30,584)
– Realised	(7,707)	(3,079)
	<u>(167,504)</u>	<u>(186,157)</u>

7. EXCEPTIONAL ITEMS

	Group	
	2016	2015
	\$'000	\$'000
Gain on disposal of joint ventures and associates	15,483	13,954
Transaction costs on acquisition of subsidiaries and associates	(2,228)	(3,582)
(Transaction costs)/write-back of transaction costs on acquisition of property, plant and equipment	145	(12,577)
Transaction costs on transfer of investment properties to a REIT	(8,584)	–
Goodwill on acquisition of subsidiaries written off (Note 13(b))	(1,129)	–
Gain on acquisition of an associate (Note 14(a))	954	–
	<u>4,641</u>	<u>(2,205)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

8. TAXATION

(a) Major Components of Income Tax Expense

The major components of income tax expense for the years ended 30 September are:

	Group	
	2016	2015
	\$'000	\$'000
Based on profit for the year:		
– Current taxation	(139,711)	(134,278)
– Withholding tax	(28,842)	(12,757)
– Deferred taxation	(48,458)	(32,229)
	<u>(217,011)</u>	<u>(179,264)</u>
Over/(under) provision in prior years:		
– Current taxation	5,618	10,293
– Deferred taxation	17,196	(15,203)
	<u>22,814</u>	<u>(4,910)</u>
	<u>(194,197)</u>	<u>(184,174)</u>

(b) Tax Recognised in OCI

	Before tax \$'000	2016 Tax expense \$'000	Net of tax \$'000	Before tax \$'000	2015 Tax expense \$'000	Net of tax \$'000
Group						
Net fair value of change of cash flow hedges	(123,726)	–	(123,726)	33,718	–	33,718
Foreign currency translation	21,143	–	21,143	(475,431)	–	(475,431)
Share of other comprehensive income of joint ventures and associates	(56)	–	(56)	175	–	175
Realisation of reserves on disposal of a joint venture and an associate	–	–	–	(1,277)	–	(1,277)
	<u>(102,639)</u>	<u>–</u>	<u>(102,639)</u>	<u>(442,815)</u>	<u>–</u>	<u>(442,815)</u>

(c) Reconciliation between Tax Expense and Accounting Profit

	Group	
	2016	2015
	\$'000	\$'000
Profit before taxation	960,343	1,196,549
Less: Share of results of joint ventures and associates, net of tax	(171,377)	(279,430)
Profit before share of results of joint ventures and associates and taxation	<u>788,966</u>	<u>917,119</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

8. TAXATION (CONT'D)

(c) Reconciliation between Tax Expense and Accounting Profit (cont'd)

A reconciliation of the statutory tax rate to the Group's effective tax rate applicable to profit before taxation and share of results of joint ventures and associates for the years ended 30 September are as follows:

	Group	
	2016	2015
	%	%
Singapore statutory rate	17.0	17.0
Effect of different tax rates of other countries	6.3	4.8
Income not subject to tax	(0.6)	(1.9)
Expenses not deductible for tax purposes	1.1	1.8
Losses not allowed to be set off against future taxable profits	2.0	1.5
Utilisation of previously unrecognised tax losses	(2.9)	(0.3)
(Over)/under provision in prior years	(1.4)	0.5
Income from REITs not subject to tax	(2.0)	(2.2)
Tax benefits on current losses not recognised	0.2	1.0
Tax effect of fair value change on investment properties	1.6	(1.4)
Withholding tax	2.5	1.4
Tax effect arising from the formation of Australia tax consolidated group	2.4	(2.0)
Tax effect of distributions to perpetual securities holders	(1.4)	(0.8)
Others	(0.2)	0.7
Effective tax rate	<u>24.6</u>	<u>20.1</u>

During the current year, certain subsidiaries in Singapore have transferred losses of \$8,252,000 (Year of Assessment ("YA") 2015: \$26,386,000) arising from YA 2016 to set off against the taxable income of other companies in the Group. Of the tax losses transferred to date under the Singapore group relief system, tax benefits of \$894,000 (2015: \$1,007,000) have been recognised during the financial year 2016. Potential tax benefits of \$10,038,000 (2015: \$8,563,000) in respect of the remaining tax losses have not been recognised as they are subject to compliance with the relevant tax legislation governing group relief and agreement of the Inland Revenue Authority of Singapore.

As at 30 September 2016, certain subsidiaries have unutilised tax losses of approximately \$183,776,000 (2015: \$293,986,000) and unabsorbed capital allowances of \$156,432,000 (2015: \$174,630,000) available for set off against future taxable profits. These tax losses and capital allowances can be carried forward with no expiry dates. Deferred tax assets of \$68,692,000 (2015: \$98,659,000) in respect of these losses and capital allowances have not been recognised due to uncertainty of their recoverability. The utilisation of tax losses and capital allowances is subject to the agreement of the respective tax authorities and compliance with certain provisions of the tax legislations of the respective jurisdictions in which the Group operates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

9. EARNINGS PER SHARE

Earnings per share is computed by dividing the Group's attributable profit (after adjusting for distributions to perpetual securities holders of \$64,456,000 (2015: \$46,924,000)) by the weighted average number of ordinary shares in issue during the financial year. In respect of diluted earnings per share, the denominator is adjusted for the effects of dilutive potential ordinary shares, which comprise share awards granted to employees. The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 30 September:

	Group	
	2016 \$'000	2015 \$'000
Attributable profit to shareholders of the Company:		
– before fair value change and exceptional items	415,407	496,906
– after fair value change and exceptional items	532,763	724,350
	No. of Shares	
	'000	'000
Weighted average number of ordinary shares in issue	2,898,893	2,893,873
Effects of dilution – share plans	21,409	16,353
Weighted average number of ordinary shares for diluted earnings per share computation	2,920,302	2,910,226
<u>Earnings Per Ordinary Share ("EPS")</u>		
(a) Basic earnings per share:		
– before fair value change and exceptional items	14.3¢	17.2¢
– after fair value change and exceptional items	18.4¢	25.0¢
(b) On a fully diluted basis:		
– before fair value change and exceptional items	14.2¢	17.1¢
– after fair value change and exceptional items	18.2¢	24.9¢

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. SEGMENT INFORMATION

In June 2016, the Group announced a series of key organisational changes.

The organisational changes comprise the formation of the following strategic business units ("SBU"):

- (i) Singapore SBU, which integrates the Singapore Residential and Commercial Properties development and operations. Singapore Commercial Properties include the ownership/management of retail, commercial and industrial properties held by Frasers Centrepoint Trust ("FCT"), Frasers Commercial Trust ("FCOT") and non-REIT entities.
- (ii) Australia SBU, which consists both non-REIT entities and Frasers Logistics and Industrial Trust ("FLT") and the development, ownership and operation of residential, commercial and industrial properties in Australia and New Zealand.
- (iii) Hospitality SBU, which encompasses the Group's hospitality operations and the ownership/operation of hotels and serviced apartments held by Frasers Hospitality Trust ("FHT") and non-REIT entities.
- (iv) International Business, which comprises development and commercial operations in China, the UK, Vietnam and Thailand.

Management determines the business segments based on the reports reviewed and used by the Group CEO (the chief operating decision maker) for strategic decisions making and resources allocation. The Group CEO reviews internal management reports of each SBU at least quarterly.

Geographically, management reviews the performance of the businesses in Singapore, Australia, Europe, China and Others. Geographical segment revenue is based on the geographical location of the customers. Geographical segment assets are based on the geographical location of the assets.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before interest, fair value change, taxation and exceptional items ("PBIT"), as included in the internal management reports that are reviewed by the Group CEO. Segment PBIT is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on arm's length basis.

The comparative business segment information have been restated to reflect the above organisational changes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. SEGMENT INFORMATION (CONT'D)

Year ended 30 September 2016

The following table presents financial information regarding business segments:

Business Segment	Singapore SBU \$'000	Australia SBU \$'000	Hospitality SBU \$'000	International Business \$'000	Corporate and Others \$'000	Eliminations \$'000	Group \$'000
Revenue – external	946,152	1,449,354	789,477	253,368	1,241	–	3,439,592
Revenue – inter-segment	801	–	–	–	15,080	(15,881)	–
Revenue – intra-segment ⁽¹⁾	56,710	5,242	148,726	–	14,026	(224,704)	–
Total revenue	1,003,663	1,454,596	938,203	253,368	30,347	(240,585)	3,439,592
Subsidiaries	360,880	217,678	134,307	82,456	(28,499)	–	766,822
Joint ventures and associates	67,360	79	703	103,235	–	–	171,377
PBIT	428,240	217,757	135,010	185,691	(28,499)	–	938,199
Interest income							25,296
Interest expense							(167,504)
Profit before fair value change, taxation and exceptional items							795,991
Fair value change on investment properties	(30,535)	200,279	(10,207)	174	–	–	159,711
Profit before taxation and exceptional items							955,702
Exceptional items	14,860	(7,961)	(2,638)	380	–	–	4,641
Profit before taxation							960,343
Taxation							(194,197)
Profit for the year							766,146
Non-current assets	8,741,698	3,283,127	4,266,992	69,778	22,458	–	16,384,053
Current assets	1,181,141	2,375,457	162,021	1,068,100	16,750	–	4,803,469
Investments in joint ventures and associates	248,602	51,546	113	492,752	–	–	793,013
Tax assets							55,160
Bank deposits							437,337
Cash and cash equivalents							1,731,343
Total assets							24,204,375
Liabilities	376,521	526,657	221,892	877,942	119,293	–	2,122,305
Loans and borrowings							9,795,537
Tax liabilities							443,049
Total liabilities							12,360,891
Other Segment Information							
Additions to non-current assets	278,512	351,971	135,199	567	13,639	–	779,888
Depreciation	1,126	9,321	42,364	73	–	–	52,884
Amortisation	89	–	1,067	490	–	–	1,646
Write-down to net realisable value of properties held for sale	–	47,110	–	–	–	–	47,110
Attributable profit before fair value change and exceptional items ⁽²⁾	177,916	77,276	24,662	147,871	52,138	–	479,863
Fair value change	(41,721)	162,544	(14,677)	104	–	–	106,250
Exceptional items	14,860	(1,323)	(2,811)	380	–	–	11,106
Attributable profit	151,055	238,497	7,174	148,355	52,138	–	597,219

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. SEGMENT INFORMATION (CONT'D)

Year ended 30 September 2016 (cont'd)

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore \$'000	Australia \$'000	Europe \$'000	China \$'000	Others ⁽³⁾ \$'000	Group \$'000
Total revenue	1,029,923	1,630,785	509,601	116,770	152,513	3,439,592
PBIT	367,595	299,700	111,320	120,296	39,288	938,199
Non-current assets	9,363,764	4,723,421	1,520,991	264,679	511,198	16,384,053
Current assets	1,221,237	2,354,240	654,293	511,915	61,784	4,803,469
Investments in joint ventures and associates	248,267	51,546	–	248,394	244,806	793,013
Tax assets						55,160
Bank deposits						437,337
Cash and cash equivalents						1,731,343
Total assets						24,204,375
Liabilities	469,708	568,515	337,896	679,369	66,817	2,122,305
Loans and borrowings						9,795,537
Tax liabilities						443,049
Total liabilities						12,360,891
Other segment information						
Additions to non-current assets	295,394	355,539	125,638	695	2,622	779,888
Depreciation	10,103	19,469	18,732	1,464	3,116	52,884
Amortisation	89	–	1,557	–	–	1,646
Write-down to net realisable value of properties held for sale	–	45,128	–	–	1,982	47,110
Exceptional items	14,845	(7,945)	(2,638)	–	379	4,641

⁽¹⁾ Intra-segment revenue arises mainly from master lease and management fee income within the same SBU.

⁽²⁾ The attributable profit disclosed includes inter-segment interest income and expense, in order to reflect the cost of financing of the Group's internal funds between segments.

⁽³⁾ Others – Japan, Thailand, New Zealand, Vietnam, the Philippines, Indonesia and Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. SEGMENT INFORMATION (CONT'D)

Year ended 30 September 2015

The following table presents financial information regarding business segments:

Business Segment	Singapore SBU \$'000	Australia SBU \$'000	Hospitality SBU \$'000	International Business \$'000	Corporate and Others \$'000	Eliminations \$'000	Group \$'000
Revenue – external	1,137,187	1,372,934	566,255	483,488	1,661	–	3,561,525
Revenue – inter-segment	645	–	–	–	14,116	(14,761)	–
Revenue – intra-segment ⁽¹⁾	57,376	10,364	132,676	–	9,125	(209,541)	–
Total revenue	<u>1,195,208</u>	<u>1,383,298</u>	<u>698,931</u>	<u>483,488</u>	<u>24,902</u>	<u>(224,302)</u>	<u>3,561,525</u>
Subsidiaries	424,795	226,624	122,626	126,598	(75,311)	–	825,332
Joint ventures and associates	148,139	43,369	1,852	86,070	–	–	279,430
PBIT	<u>572,934</u>	<u>269,993</u>	<u>124,478</u>	<u>212,668</u>	<u>(75,311)</u>	<u>–</u>	<u>1,104,762</u>
Interest income							36,799
Interest expense							(186,157)
Profit before fair value change, taxation and exceptional items							<u>955,404</u>
Fair value change on investment properties	54,821	79,096	109,288	145	–	–	<u>243,350</u>
Profit before taxation and exceptional items							<u>1,198,754</u>
Exceptional items	–	(286)	(15,873)	13,954	–	–	<u>(2,205)</u>
Profit before taxation							<u>1,196,549</u>
Taxation							<u>(184,174)</u>
Profit for the year							<u>1,012,375</u>
Non-current assets	8,520,781	71,626	4,355,718	3,011,331	11,839	–	15,971,295
Current assets	1,465,317	780,762	130,452	2,401,718	188,896	–	4,967,145
Investments in joint ventures and associates	358,050	182,375	–	33,448	11,515	–	585,388
Tax assets							169,724
Cash and cash equivalents							<u>1,373,140</u>
Total assets							<u>23,066,692</u>
Liabilities	467,765	370,194	232,373	358,819	200,442	–	1,629,593
Loans and borrowings							10,275,457
Tax liabilities							510,689
Total liabilities							<u>12,415,739</u>
Other segment information							
Additions to non-current assets	796,629	235,117	537,664	24	2,354	–	1,571,788
Additions to intangible assets	–	–	264,180	–	–	–	264,180
Depreciation	912	6,723	27,554	91	4,782	–	40,062
Amortisation	46	–	164	490	41	–	741
Write-down to net realisable value of properties held for sale	–	–	–	45,417	–	–	45,417
Attributable profit before fair value change and exceptional items ⁽²⁾	269,962	73,102	25,702	184,958	(9,894)	–	543,830
Fair value change	75,132	89,315	55,071	94	–	–	219,612
Exceptional items	–	(286)	(5,836)	13,954	–	–	7,832
Attributable profit	<u>345,094</u>	<u>162,131</u>	<u>74,937</u>	<u>199,006</u>	<u>(9,894)</u>	<u>–</u>	<u>771,274</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. SEGMENT INFORMATION (CONT'D)

Year ended 30 September 2015 (cont'd)

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore \$'000	Australia \$'000	Europe \$'000	China \$'000	Others ⁽³⁾ \$'000	Group \$'000
Total revenue	1,226,264	1,549,816	194,437	458,344	132,664	3,561,525
PBIT	494,153	316,242	47,587	209,572	37,208	1,104,762
Non-current assets	9,114,971	4,415,963	1,615,943	283,739	540,679	15,971,295
Current assets	1,521,928	2,451,158	417,911	508,190	67,958	4,967,145
Investments in joint ventures and associates	369,124	33,448	–	182,375	441	585,388
Tax assets						169,724
Cash and cash equivalents						1,373,140
Total assets						23,066,692
Liabilities	557,095	469,887	213,186	336,428	52,997	1,629,593
Loans and borrowings						10,275,457
Tax liabilities						510,689
Total liabilities						12,415,739
Other segment information						
Additions to non-current assets	1,162,199	260,044	147,183	362	2,000	1,571,788
Additions to intangible assets	–	–	264,180	–	–	264,180
Depreciation	11,947	21,545	3,187	977	2,406	40,062
Amortisation	87	–	654	–	–	741
Write-down to net realisable value of properties held for sale	–	–	13,115	32,302	–	45,417
Exceptional items	1,111	(13,958)	(6,435)	–	17,077	(2,205)

⁽¹⁾ Intra-segment revenue arises mainly from master lease and management fee income within the same SBU.

⁽²⁾ The attributable profit disclosed includes inter-segment interest income and expense, in order to reflect the cost of financing of the Group's internal funds between segments.

⁽³⁾ Others – Japan, Thailand, New Zealand, Vietnam, the Philippines, Indonesia and Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

11. INVESTMENT PROPERTIES

	Completed Investment Properties \$'000	Investment Properties Under Construction \$'000	Total Investment Properties \$'000
Group			
Balance Sheet			
At 1 October 2014	10,413,240	1,010,133	11,423,373
Currency re-alignment	(378,458)	(4,303)	(382,761)
Transfer from prepayments	–	290,704	290,704
Transfer upon completion	209,777	(209,777)	–
Transfer to property, plant and equipment (Note 12)	(90,931)	–	(90,931)
Additions	325,943	1,200,565	1,526,508
Fair value change	184,299	–	184,299
At 30 September 2015 and 1 October 2015	10,663,870	2,287,322	12,951,192
Currency re-alignment	26,029	165	26,194
Reclassification from properties held for sale	–	78,886	78,886
Transfer upon completion	353,604	(353,604)	–
Additions	229,776	487,843	717,619
Disposals	(452,141)	–	(452,141)
Fair value change	165,086	7,183	172,269
At 30 September 2016	10,986,224	2,507,795	13,494,019
		2016	2015
		\$'000	\$'000
Profit Statement			
Rental income from completed investment properties:			
– Minimum lease payments		852,255	827,703
– Contingent rent based on tenants' turnover		13,694	9,436
		865,949	837,139
Direct operating expenses (including repairs and maintenance) arising from:			
– Rental generating properties		308,181	217,435
			Completed Investment Properties \$'000
Company			
Balance Sheet			
At 1 October 2014, 30 September 2015 and 30 September 2016			<u>1,600</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

11. INVESTMENT PROPERTIES (CONT'D)

(a) Completed Investment Properties

Completed investment properties comprise serviced residences, commercial and industrial properties that are leased mainly to third parties under operating leases (Note 37).

Completed investment properties are stated at fair value which has been determined based on valuations performed by valuers at the reporting date.

Investment properties amounting to approximately \$383,000,000 (2015: \$773,000,000) have been mortgaged to certain financial institutions as securities for credit facilities.

(b) Investment Properties under Construction

IPUC are valued annually by valuers by estimating the fair values of the completed investment properties and then deducting from those amounts the estimated costs to complete the construction and a reasonable profit margin on construction and development. The estimated cost to complete is determined based on the construction cost per square metre in the pertinent area.

IPUC amounting to approximately \$2,255,000,000 (2015: \$2,076,600,000) have been mortgaged to certain financial institutions as securities for credit facilities.

(c) The fair value change on investment properties recognised in the consolidated profit statement has been adjusted for the following:

	Group	
	2016	2015
	\$'000	\$'000
Fair value change on investment properties	172,269	184,299
Fair value gain on investment properties acquired from a joint venture	-	52,782
Other movements	(12,558)	6,269
Fair value change on investment properties in consolidated profit statement	<u>159,711</u>	<u>243,350</u>

Included in other movements are net long term lease incentives under certain incentive reimbursement arrangements upon the injection of investment properties into a REIT, net leasing fees capitalised and effects of recognising accounting income on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Lands \$'000	Leasehold Lands \$'000	Buildings \$'000	Assets under Construction \$'000	Equipment, Furniture and Fittings \$'000	Others \$'000	Total \$'000
Group							
Cost							
At 1 October 2014	207,108	334,502	821,798	2,973	87,292	1,242	1,454,915
Currency re-alignment	(15,797)	(174)	(49,537)	(281)	(2,823)	75	(68,537)
Acquisition of subsidiaries	112,502	49,849	352,149	3,124	36,263	–	553,887
Additions	–	–	15,366	3,160	24,575	2,179	45,280
Disposals/write-offs	–	–	–	–	(808)	(6)	(814)
Disposal of a subsidiary	–	–	–	–	(162)	–	(162)
Transfer from investment properties	15,067	–	75,864	–	–	–	90,931
Transfer upon completion	–	–	–	(190)	190	–	–
At 30 September 2015 and 1 October 2015	318,880	384,177	1,215,640	8,786	144,527	3,490	2,075,500
Currency re-alignment	(9,465)	(10,944)	(73,920)	(1,105)	(16,875)	(77)	(112,386)
Acquisition of subsidiaries	22,838	–	50,623	–	2,665	–	76,126
Additions	–	–	8,854	21,409	31,851	155	62,269
Disposals/write-offs	–	–	(61)	–	(2,199)	(132)	(2,392)
Reclassification	–	–	–	(2,567)	4,741	(2,174)	–
Transfer upon completion	–	–	–	(3,331)	3,331	–	–
At 30 September 2016	332,253	373,233	1,201,136	23,192	168,041	1,262	2,099,117
Accumulated Depreciation							
At 1 October 2014	–	1,448	3,999	–	33,536	1,030	40,013
Currency re-alignment	–	2	(646)	–	(187)	59	(772)
Charge for the year 2015	–	3,978	22,380	–	13,390	314	40,062
Acquisition of subsidiaries	–	–	–	–	5,750	–	5,750
Disposals/write-offs	–	–	–	–	(418)	(6)	(424)
Disposal of a subsidiary	–	–	–	–	(143)	–	(143)
At 30 September 2015 and 1 October 2015	–	5,428	25,733	–	51,928	1,397	84,486
Currency re-alignment	–	(36)	(664)	–	(8,310)	(70)	(9,080)
Charge for the year 2016	–	4,590	24,317	–	23,927	50	52,884
Disposals/write-offs	–	–	–	–	(1,357)	(98)	(1,455)
Reclassification	–	–	–	–	255	(255)	–
At 30 September 2016	–	9,982	49,386	–	66,443	1,024	126,835
Net Book Value							
At 30 September 2016	332,253	363,251	1,151,750	23,192	101,598	238	1,972,282
At 30 September 2015	318,880	378,749	1,189,907	8,786	92,599	2,093	1,991,014

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Equipment, Furniture and Fittings \$'000
Company	
Cost	
At 1 October 2014, 30 September 2015 and 1 October 2015	53
Additions	1
Fully depreciated	(53)
At 30 September 2016	<u>1</u>
Accumulated Depreciation	
At 1 October 2014, 30 September 2015 and 1 October 2015	53
Fully depreciated	(53)
Charge for the year 2016	_*
At 30 September 2016	<u>_*</u>
Net Book Value	
At 30 September 2016	<u><u>1</u></u>
At 30 September 2015	<u>—</u>

* Denotes amounts less than \$1,000.

The depreciation charge for the year is included in the financial statements as follows:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Charged to profit statement (Note 4)	52,877	40,027	—	—
Capitalised in properties held for sale	7	35	—	—
	<u>52,884</u>	<u>40,062</u>	<u>—</u>	<u>—</u>

Included in property, plant and equipment are certain hotel properties of the Group with carrying amount of \$267,187,000 (2015: \$264,097,000) which are pledged to certain financial institutions to secure credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES

	Note	Company	
		2016 \$'000	2015 \$'000
Investments in subsidiaries			
Shares, at cost		1,880,386	1,753,014
Less: Allowance for impairment		(80,490)	(80,490)
		<u>1,799,896</u>	<u>1,672,524</u>
Balances with subsidiaries			
Amounts due from subsidiaries:			
– Interest free		1,399,656	1,244,624
– Interest bearing		1,973,289	1,767,488
	18	<u>3,372,945</u>	<u>3,012,112</u>
Amounts due to subsidiaries:			
– Interest free		(188,743)	(228,572)
	24	<u>(188,743)</u>	<u>(228,572)</u>
Net balances with subsidiaries		<u>3,184,202</u>	<u>2,783,540</u>
Amounts due from subsidiaries:			
– Current		1,958,514	290,390
– Non-current		1,414,431	2,721,722
	18	<u>3,372,945</u>	<u>3,012,112</u>
Amounts due to subsidiaries:			
– Current		(187,435)	(21,495)
– Non-current		(1,308)	(207,077)
	24	<u>(188,743)</u>	<u>(228,572)</u>
Net balances with subsidiaries		<u>3,184,202</u>	<u>2,783,540</u>

Amounts due from subsidiaries are non-trade related, unsecured and payable in cash. In respect of interest bearing amounts, interest of between 0.2% to 4.0% (2015: 0.2% to 4.0%) per annum was charged.

Amounts due to subsidiaries are non-trade related, interest free, unsecured and payable in cash.

Balances with subsidiaries which are payable on demand have been classified as current, while balances with no fixed terms of repayment and not expected to be repaid within the next 12 months have been classified as non-current. The non-current loans due from subsidiaries form part of the Company's net investment in subsidiaries where settlement is neither planned nor likely to occur in the foreseeable future.

Details of significant subsidiaries are included in Note 40.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) *Interest in Subsidiaries with Material NCI*

The following subsidiaries have NCI that are material to the Group.

Name	Principal Place of Business/ Country of Incorporation	Ownership Interest held by NCI	
		2016	2015
Frasers Centrepoint Trust	Singapore	58.5%	58.7%
Frasers Commercial Trust	Singapore	72.9%	72.8%
Frasers Hospitality Trust	Singapore	78.4%	79.7%
Frasers Logistics & Industrial Trust	Singapore	79.5%	–

The Group assessed that it controls FCT, FCOT, FHT and FLT, although the Group owns less than half of the ownership interest and voting power of FCT, FCOT, FHT and FLT. The activities of FCT, FCOT, FHT and FLT are managed by the Group's wholly-owned subsidiaries, namely, Frasers Centrepoint Asset Management Ltd. ("FCAM"), Frasers Centrepoint Asset Management (Commercial) Ltd. ("FCAMC"), Frasers Hospitality Asset Management Pte. Ltd. ("FHAM") and Frasers Logistics & Industrial Asset Management Pte. Ltd. ("FLIAM"), respectively (collectively, the "REIT Managers"). The REIT Managers have decision-making authority over FCT, FCOT, FHT and FLT, subject to oversight by the trustee of the respective REITs. The Group's overall exposure to variable returns, both from the REIT Managers' remuneration and their interests in the REITs, is significant and any decisions made by the REIT Managers affect the Group's overall exposure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) Interest in Subsidiaries with Material NCI (cont'd)

For the subsidiaries with material NCI, financial information are before inter-company eliminations.

	FCT \$'000	FCOT \$'000	FHT \$'000	FLT \$'000	Other Subsidiaries with Individually Immaterial NCI \$'000	Total \$'000
2016						
Revenue	183,815	156,497	126,543	43,658		
Profit for the year	123,447	71,241	22,421	3,918		
Total comprehensive income	124,565	77,894	(33,542)	63,254		
Attributable to NCI:						
– Profit for the year	72,229	51,899	17,576	3,115	24,108	168,927
– Total comprehensive income	72,883	56,746	(26,294)	50,287	18,106	171,728
Current assets	25,508	79,642	100,578	102,522		
Non-current assets	2,568,970	1,989,716	1,876,892	1,751,320		
Current liabilities	(278,800)	(219,301)	(155,841)	(29,385)		
Non-current liabilities	(540,032)	(621,641)	(744,943)	(526,297)		
Net assets	1,775,646	1,228,416	1,076,686	1,298,160		
Net assets attributable to NCI	1,034,265	899,898	801,162	1,032,037	23,199	3,790,561
Cash flows from/(used in):						
– operating activities	125,987	101,751	107,779	33,468		
– investing activities	(13,180)	(3,284)	(127,008)	(1,452,758)		
– financing activities ¹	(110,296)	(89,397)	30,271	1,498,220		
Net increase in cash and cash equivalents	2,511	9,070	11,042	78,930		
¹ Includes dividends paid to NCI	63,437	51,513	49,854	–		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) Interest in Subsidiaries with Material NCI (cont'd)

	FCT \$'000	FCOT \$'000	FHT \$'000	Other Subsidiaries with Individually Immaterial NCI \$'000	Total \$'000
2015					
Revenue	189,242	142,187	112,305		
Profit for the year	171,464	75,198	84,800		
Total comprehensive income	158,746	31,506	46,150		
Attributable to NCI:					
– Profit for the year	100,615	54,737	67,568	18,181	241,101
– Total comprehensive income	93,153	22,935	36,773	11,941	164,802
Current assets	21,598	79,230	62,684		
Non-current assets	2,527,149	1,955,211	1,882,795		
Current liabilities	(327,670)	(39,406)	(30,529)		
Non-current liabilities	(466,533)	(788,163)	(822,217)		
Net assets	1,754,544	1,206,872	1,092,733		
Net assets attributable to NCI	1,027,887	882,828	890,968	46,536	2,848,219
Cash flows from/(used in):					
– operating activities	120,004	88,574	42,647		
– investing activities	(620)	(197,286)	(214,753)		
– financing activities ¹	(144,928)	124,185	186,462		
Net (decrease)/increase in cash and cash equivalents	(25,544)	15,473	14,356		
¹ Includes dividends paid to NCI	62,048	50,870	55,753		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) Interest in Subsidiaries with Material NCI (cont'd)

(i) FCT

Payment of Management Fees by Way of Units in FCT

The Group, through its subsidiary, FCAM as the manager of FCT, received the following units in FCT ("FCT units") in payment of 20% to 50% of its management fees for the year from 1 October 2015 to 30 September 2016:

Relevant Period	Date Received	No. of Units Received	Issued Price \$	Value of Units Received \$	Aggregate of FCT Units held by FCAM	Aggregate of FCT Units held by the Group
1 July 2015 to 30 September 2015	26 October 2015	371,296	1.8925	702,678	29,581,336	379,252,336
1 October 2015 to 31 December 2015	25 January 2016	394,269	1.8319	722,261	29,975,605	379,646,605
1 January 2016 to 31 March 2016	25 April 2016	898,068	2.0011	1,797,124	30,873,673	380,544,673
1 April 2016 to 30 June 2016	17 July 2016	865,668	2.0038	1,734,626	31,739,341	381,410,341
				<u>4,956,689</u>		

The payment of such fees in the form of units is provided for in the Trust Deed constituting FCT dated 5 June 2006. The issued price is the volume weighted average price of the units traded on the SGX-ST for the last ten business days of the relevant period.

With the above payments of management fees by way of units in FCT, the Group and FCAM hold an aggregate of 381,410,341 units and 31,739,341 units in FCT, representing 41.5% and 3.5% of the total issued FCT units, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) Interest in Subsidiaries with Material NCI (cont'd)

(ii) FCOT

Payment of Management Fees by Way of Units in FCOT

The Group, through its subsidiary, FCAMC as the manager of FCOT, received the following units in FCOT ("FCOT units") in payment of approximately 23% to 40% of its management fees for the year from 1 October 2015 to 30 September 2016:

Relevant Period	Date Received	No. of Units Received	Issued Price \$	Value of Units Received \$	Aggregate of FCOT Units held by FCAMC	Aggregate of FCOT Units held by the Group
1 July 2015 to 30 September 2015	27 October 2015	711,903	1.3402	954,092	89,235,276	213,720,255
1 October 2015 to 31 December 2015	22 January 2016	617,585	1.2719	785,506	89,852,861	214,337,840
1 January 2016 to 31 March 2016	25 April 2016	1,037,965	1.3057	1,355,271	90,890,826	215,375,805
1 April 2016 to 30 June 2016	22 July 2016	267,630	1.2472	333,788	91,158,456	215,643,435
				<u>3,428,657</u>		

The payment of such management fees in the form of units is provided for in the Trust Deed constituting FCOT dated 12 September 2005. The issued price is the volume weighted average price of the units traded on the SGX-ST for the last ten business days of the relevant period.

With the above payments of management fees by way of units in FCOT, the Group and FCAMC hold an aggregate of 215,643,435 units and 91,158,456 units in FCOT, representing 27.1% and 11.6% of the total issued FCOT units, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(a) Interest in Subsidiaries with Material NCI (cont'd)

(iii) FHT

Payment of Management Fees by Way of Units in FHT

The Group, through its subsidiaries, FHAM and Frasers Hospitality Pte. Ltd. ("FHPL") as the managers of FHT (the "FHT managers"), received units in FHT ("FHT units") in payment of 100% of their management fees.

On 5 May 2016, nomination agreements were signed between the FHT managers and FCL Investment Pte. Ltd. ("FCLI") where the FHT managers may nominate FCLI to receive such FHT units issued to them pursuant to payment of management fees, in exchange for a cash consideration ("Nomination Agreements").

The following FHT units were issued in payment of 100% of their management fees for the year from 1 October 2015 to 30 September 2016:

Relevant Period	Date Received	No. of Units Received	Issued Price \$	Value of Units Received \$	Aggregate of FHT Units held by the FHT managers	Aggregate of FHT Units held by FCLI	Aggregate of FHT Units held by the Group
1 July 2015 to 30 September 2015	3 November 2015	10,647,549	0.7716	8,215,999	24,032,748	262,378,000	286,410,748
1 October 2015 to 31 March 2016	5 May 2016	10,656,290	0.7642	8,143,535	24,032,748	273,034,290	297,067,038
				<u>16,359,534</u>			

The payment of such management fees in the form of units is provided for in the Trust Deed constituting FHT dated 12 June 2014. The issued price is the volume weighted average price of the units traded on the SGX-ST for the last ten business days of the relevant period.

Payment of Acquisition Fees by Way of Units in FHT

The Group, through FHAM, received 1,159,146 units in FHT at a price of \$0.78 per unit, in payment of acquisition fee of \$902,280 in respect of the acquisition by FHT of Maritim Hotel Dresden in Germany. FHAM nominated these units to be received and held by FCLI in accordance with the Nomination Agreements.

With the above payments of management fees and acquisition fees by way of units in FHT, the Group, FCLI and the FHT managers hold an aggregate of 298,226,184 units, 274,193,436 units, 24,032,748 units in FHT, representing 21.6%, 19.9% and 1.7% of the total issued FHT units, respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(b) Acquisitions of Subsidiaries

- (i) On 17 June 2015, Frasers Hospitality UK Holdings Limited ("FHUK"), a wholly-owned subsidiary of the Company, completed the acquisition of 100% shareholding interest in MHDV Holdings (UK) Limited ("MHDV"), a company incorporated in the United Kingdom, for approximately S\$285,800,000 (Sterling Pound ("GBP") 136,100,000).

The Group engaged an independent firm to perform Purchase Price Allocation ("PPA") for MHDV. Based on the PPA, the goodwill was provisionally determined at \$60,077,000 as of 30 September 2015. The PPA was finalised during the current financial year and the effects of the finalisation of the PPA are as follows:

	Provisional Fair Value Previously Recognised \$'000	Adjustments \$'000	As Finalised \$'000
Goodwill	60,077	403	60,480
Brands	158,346	–	158,346
Favourable leases	45,757	(487)	45,270
Property, plant and equipment	548,137	–	548,137
Current assets	24,422	–	24,422
Current liabilities	(85,062)	–	(85,062)
Non-current liabilities	(493,979)	84	(493,895)

As the finalised PPA was not materially different from the provisional allocation in the previous financial year, the comparative figures of the Group have not been restated to reflect the PPA finalisation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(b) Acquisitions of Subsidiaries (cont'd)

- (ii) On 9 Dec 2015, MHDV completed the acquisition of 100% shareholding interest in Golden Tent Limited ("GTL"), a company incorporated in Hong Kong Special Administrative Region of the People's Republic of China. GTL and its subsidiary carry on the business of operating hotels in the United Kingdom, namely The Montpellier Chapter, The Magdalen Chapter, Hotel Seattle and The Avon Gorge Hotel.

The addition of the four properties through GTL will enable MHDV to further expand into the fast-growing UK hospitality segment, which is in line with the Group's expansion strategy of the Malmaison and Hotel du Vin lifestyle brands within the region.

The consideration was approximately S\$78,398,000 (GBP37,075,000) and was arrived at on a willing-buyer-willing-seller basis, taking into account the net tangible asset value of GTL and its subsidiary of approximately S\$77,179,000 (GBP36,498,000).

The fair value of the identifiable assets and liabilities of GTL as at acquisition date were:

Finalised Accounting of the Acquisition of GTL

	Fair Value Recognised on Acquisition \$'000
Property, plant and equipment	76,126
Inventories	2,378
Cash and cash equivalents	1,388
	<hr/> 79,892
Trade and other payables	(2,647)
Provision for taxation	(66)
	<hr/> 77,179
Total identifiable net assets at fair value	77,179
Goodwill on acquisition written off to profit statement (Note 7)	1,129
Exchange difference	90
	<hr/> 78,398
Total consideration	78,398
Cash of subsidiaries acquired	(1,388)
	<hr/>
Net cash outflow on acquisition of subsidiaries	77,010

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. INVESTMENTS IN AND BALANCES WITH SUBSIDIARIES (CONT'D)

(b) Acquisitions of Subsidiaries (cont'd)

Transaction Costs

Transaction costs related to the acquisition of \$1,541,000 have been recognised in the "Exceptional Items" in the Group's profit statement for the year ended 30 September 2016.

Measurement of Fair Values

Assets Acquired	Valuation Technique
Property, plant and equipment	10 years discounted cash flow method, having regard to comparable evidence and current market sentiment

Goodwill Arising from Acquisition

The Group engaged an independent firm to perform valuations of the properties of GTL. Based on the external valuations, the goodwill of \$1,129,000, constituting the residual excess of consideration paid over the fair values of identifiable net assets, has been written off in the "Exceptional Items" in the Group's profit statement for the year ended 30 September 2016.

Impact of the Acquisition on Profit Statement

From the acquisition date, GTL has contributed \$23,876,000 and \$3,733,000, to the Group's revenue and profit for the year, respectively. If the business combination had taken place at the beginning of the year, the contribution by GTL to the Group's revenue and profit for the year would have been \$28,607,000 and \$4,022,000, respectively.

(c) Acquisition of Additional Interest in Subsidiaries

On 21 December 2015, the Company acquired 100% of the issued and paid-up share capital of SQ International (Australia) Pte. Ltd. ("SQIA"), a newly-incorporated company in Singapore, from SQ International Pte. Ltd (the "SQIA Acquisition"). SQIA was renamed Frasers (Australia) Investments Pte. Ltd. ("FAI") on 5 August 2016. FAI is the legal and beneficial owner of 25 issued and paid-up ordinary shares and 75 issued and paid-up preference shares in Frasers (Australia) Pte. Ltd. ("FAPL"). The remaining 75 issued and paid-up ordinary shares and 125 issued and paid-up preference shares in FAPL are directly held by the Company. Following completion of the SQIA Acquisition, FAI became a wholly-owned subsidiary of the Group and the Group's shareholding interest in FAPL increased to 100%.

Subsidiary	Additional Interests in FAPL Acquired	Carrying Value of Subsidiary Acquired \$'000	Consideration Paid \$'000	Excess of Consideration Paid \$'000
FAI	25%	(6,801)	35,372	42,173

The differences between the consideration paid and the carrying value of the subsidiary acquired are recognised as a reduction in retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. INVESTMENTS IN AND BALANCES WITH JOINT VENTURES AND ASSOCIATES

	Note	Group		Company	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Investments in joint ventures					
Investments, at cost		74,669	50,339	500	500
Share of post-acquisition reserves		165,544	284,589	–	–
		240,213	334,928	500	500
Investments in associates					
Investments, at cost		398,733	167,535	–	–
Share of post-acquisition reserves		154,067	82,925	–	–
		552,800	250,460	–	–
Total investments in joint ventures and associates					
		793,013	585,388	500	500
Balances with joint ventures					
Loans to joint ventures:	18				
– Non-current		165,965	120,106	–	–
– Current		285,202	261,257	–	–
Loans from joint ventures:	24				
– Current		(109)	(115)	–	–
		451,058	381,248	–	–
Balances with associates					
Loans to associates:	18				
– Non-current		14,500	78,531	–	–
– Current		–	–	–	–*
Loan from an associate:	24				
– Non-current		–	(92,575)	–	–
– Current		(85,947)	–	–	–
		(71,447)	(14,044)	–	–*

* Denotes amount less than \$1,000.

The loans to joint ventures bear interest at 1.0% to 4.7% (2015: 1.1% to 4.6%) per annum, are unsecured, payable in cash and have no fixed repayment terms.

The loans from joint ventures are interest free, unsecured and are repayable in cash within the next 12 months.

The non-current loan to an associate is unsecured, interest free, payable in cash and has no fixed repayment terms.

The loan from an associate of \$85,947,000 (2015: \$92,575,000) bears interest at 5.3% (2015: 5.3%) per annum, is unsecured and is repayable in August 2017.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. INVESTMENTS IN AND BALANCES WITH JOINT VENTURES AND ASSOCIATES (CONT'D)

(a) *Acquisition of an Associate*

On 14 January 2016, the Group, through its wholly-owned subsidiary, Frasers Property Holdings (Thailand) Co., Ltd. ("FPHT"), completed the acquisition of 685,700,997 new ordinary shares in Golden Land Property Development Public Company Limited ("Gold"), representing 29.5% shareholding interest in Gold. The business of Gold comprises residential and commercial property development and property management and property advisory service in Thailand. The consideration is approximately S\$195,000,000 (Thai Baht ("Baht") 4,971,000,000), at a subscription price of approximately S\$0.29 (Baht 7.25) per share. On 2 March 2016, FPHT completed the open-market purchase of 142,000,000 additional shares at an average price of approximately S\$0.261 (Baht 6.50) per share, increasing FPHT's interest in Gold to 35.6%. The aggregate consideration for the additional shares is approximately S\$36,000,000 (Baht 923,000,000).

The Group engaged an independent firm to perform PPA for Gold. Based on the PPA, part of the consideration paid for the net assets has been identified and allocated to property, plant and equipment, investment properties, properties held for sale and deferred tax liabilities. The PPA was finalised during the current financial year. The excess of fair values of the identifiable assets over the consideration is recorded as a gain on acquisition of an associate of \$954,000 under "Exceptional Items" in the profit statement (Note 7).

The market value of the Group's interest in Gold as at 30 September 2016 is S\$193,980,000.

(b) *Incorporation of a Joint Venture*

On 15 February 2016, FCL Topaz Pte. Ltd., a wholly-owned subsidiary of FCL, together with Sekisui House, Ltd. and KH Capital Pte. Ltd., incorporated a joint venture company, East Vue Pte. Ltd. ("East Vue"), in Singapore. The formation of East Vue is to undertake the development of a private condominium land parcel at Siglap Road acquired in April 2016. The site is expected to launch in 2017.

(c) *Disposal of an Associate*

On 9 December 2015, FCL Centrepoint Pte. Ltd., a wholly-owned subsidiary of FCL, entered into a deed to sell its entire equity interest in an associate, Gemshine Investments (S) Pte. Ltd. ("Gemshine"), to Lexis 88 Investments (Mauritius) Limited and novate its share of intercompany loans for the consideration of \$19,618,020 ("the Shares Consideration") and \$60,692,040, respectively (collectively, the "Aggregate Consideration"). The Aggregate Consideration was arrived at on a willing-buyer-willing-seller basis. The Shares Consideration was arrived at taking into account, amongst others, the value of the property and a sum based on the adjusted cash and net liabilities of Gemshine and its subsidiaries as at 30 September 2015. The sale was completed on 1 February 2016 and the Aggregate Consideration was settled in cash.

The gain on disposal of Gemshine of \$14,860,000 is classified as "Exceptional Items" in the profit statement (Note 7).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. INVESTMENTS IN AND BALANCES WITH JOINT VENTURES AND ASSOCIATES (CONT'D)

No disclosure of fair value is made for material joint ventures as they are not quoted on any market.

Except for Gold and Supreme Asia Investments Limited and its subsidiary ("SAI group"), the Group's joint ventures and associates are individually immaterial.

The following table analyses, in aggregate, the carrying amount and share of profit and OCI of the joint ventures.

	Group	
	2016 \$'000	2015 \$'000
Group's interest in net assets at beginning of the year	334,928	589,385
Group's share of:		
– Profit after taxation	69,845	231,167
– OCI	(228)	45
Total comprehensive income	69,617	231,212
Addition during the year	22,952	–
Disposal during the year	–	(124,666)
Dividends received during the year	(188,125)	(344,996)
Currency re-alignment	841	(16,007)
Carrying amount of interest at end of the year	240,213	334,928

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. INVESTMENTS IN AND BALANCES WITH JOINT VENTURES AND ASSOCIATES (CONT'D)

The following table summarises the financial information of each of the Group's material associates based on their consolidated financial information prepared in accordance with FRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also analyses, in aggregate, the carrying amount and share of profit and OCI of the remaining individually immaterial associates.

	Gold \$'000	SAI group \$'000	Immaterial Associates \$'000	Total \$'000
2016				
Revenue	313,261	719,178		
Profit after taxation	41,208	208,881		
OCI	–	–		
Total comprehensive income	41,208	208,881		
Attributable to:				
– NCI	(269)	7,224		
– Investee's shareholders	41,477	201,657		
Current assets	515,958	1,139,264		
Non-current assets	724,473	214,342		
Current liabilities	(123,632)	(811,668)		
Non-current liabilities	(438,143)	–		
Net assets	678,656	541,938		
Attributable to:				
– NCI	(7,357)	16,969		
– Investee's shareholders	686,013	524,969		
Group's interest in net assets at beginning of the year	–	182,375	68,085	250,460
Group's share of:				
– Profit/(loss) after taxation	14,774	88,461	(1,703)	101,532
– OCI	–	–	172	172
Total comprehensive income	14,774	88,461	(1,531)	101,704
Addition during the year	231,200	–	–	231,200
Disposal during the year	–	–	(3,628)	(3,628)
Dividends received during the year	(1,616)	(2,788)	(4,006)	(8,410)
Currency re-alignment	–	(19,654)	1,128	(18,526)
Carrying amount of interest at end of the year	244,358	248,394	60,048	552,800

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. INVESTMENTS IN AND BALANCES WITH JOINT VENTURES AND ASSOCIATES (CONT'D)

	SAI group \$'000	Immaterial Associates \$'000	Total \$'000
2015			
Revenue	806,568		
Profit after taxation	190,619		
OCI	–		
Total comprehensive income	<u>190,619</u>		
Attributable to:			
– NCI	6,348		
– SAI group's shareholders	<u>184,271</u>		
Current assets	823,491		
Non-current assets	279,543		
Current liabilities	<u>(724,184)</u>		
Net assets	<u>378,850</u>		
Attributable to:			
– NCI	13,445		
– SAI group's shareholders	<u>365,405</u>		
Group's interest in net assets at beginning of the year	88,937	127,289	216,226
Group's share of:			
– Profit after taxation	86,063	6,007	92,070
– OCI	–	130	130
Total comprehensive income	86,063	6,137	92,200
Disposal during the year	–	(48,181)	(48,181)
Dividends received during the year	–	(4,576)	(4,576)
Currency re-alignment	7,375	(12,584)	(5,209)
Carrying amount of interest at end of the year	<u>182,375</u>	<u>68,085</u>	<u>250,460</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

15. FINANCIAL ASSETS

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Available-for-sale financial assets:				
<u>Unquoted</u>				
Equity investments, at cost	3,303	3,303	3,303	3,303
Allowance for impairment	(1,155)	(1,155)	(1,155)	(1,155)
	2,148	2,148	2,148	2,148
<u>Quoted</u>				
Equity investments	14	17	-	-
Total available-for-sale financial assets	2,162	2,165	2,148	2,148

The unquoted equity investments are measured at cost less impairment losses as there are no active markets for these investments (Note 34(e)).

16. INTANGIBLE ASSETS

	Goodwill \$'000	Brands \$'000	Favourable		Total \$'000
			Leases \$'000	Others \$'000	
Cost					
At 1 October 2014	496,516	-	-	10,397	506,913
Currency re-alignment	(50,640)	3,846	1,112	-	(45,682)
Acquisition of subsidiaries (Note 13(b))	60,077	158,346	45,757	-	264,180
At 30 September 2015 and 1 October 2015	505,953	162,192	46,869	10,397	725,411
Currency re-alignment	4,531	(28,804)	(8,246)	-	(32,519)
Adjustments on finalisation of PPA (Note 13(b))	403	-	(487)	-	(84)
Write-off against reserves	-	-	-	(5,312)	(5,312)
At 30 September 2016	510,887	133,388	38,136	5,085	687,496
Accumulated Amortisation					
At 1 October 2014	-	-	-	3,500	3,500
Currency re-alignment	-	-	6	-	6
Amortisation	-	-	164	577	741
At 30 September 2015 and 1 October 2015	-	-	170	4,077	4,247
Currency re-alignment	-	-	(133)	-	(133)
Amortisation	-	-	1,067	579	1,646
At 30 September 2016	-	-	1,104	4,656	5,760
Net Book Value					
At 30 September 2016	510,887	133,388	37,032	429	681,736
At 30 September 2015	505,953	162,192	46,699	6,320	721,164

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

16. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill

The Group's goodwill is denominated in the respective functional currencies of the acquired subsidiaries and is subject to currency fluctuations.

The carrying value was assessed for impairment based on CGUs during the financial year.

	2016 \$'000	2015 \$'000
Carrying value of capitalised goodwill in the following business segments:		
– Australia SBU	397,339	381,816
– Singapore SBU	62,601	62,601
– Hospitality SBU	50,947	61,536
	510,887	505,953

(i) Australia SBU

Management adopted a fair value less costs to sell approach to impairment test. The recoverable amount of the CGU of Frasers Property Limited ("FPL") are estimated based on a 3-year average forecast PBIT earnings amount and an earnings multiple of 12.5 (2015: 12.5). The PBIT earnings was capitalised at multiples consistent with the valuation reports prepared by external professional advisors to assess the offer by the Group to acquire FPL. The earnings multiple determined takes into consideration market participants' multiples used in mergers and acquisitions, market trading ranges and research reports. Management believes the earnings multiple applied is sustainable in view of the current and anticipated business conditions.

The recoverable amount yields sufficient head room at the reporting date which indicates no impairment required.

As at 30 September 2016, the carrying value of goodwill is Australian Dollar ("A\$") 381,396,000 (2015: A\$381,396,000).

(ii) Singapore SBU

The Group recorded goodwill upon the acquisition of FCOT and FCAMC. For the purposes of impairment testing, the goodwill is allocated to FCAMC which holds the management contracts for FCOT.

The recoverable amount has been determined based on value in use calculations using a projection of the net management fee income covering a 10-year period. The pre-tax discount applied to the projections is 10% (2015: 10%) and the forecast growth rate used beyond the 10-year period is 2% (2015: 2%). Based on the recoverable amount, no impairment is necessary.

As at 30 September 2016, the carrying value of goodwill is S\$62,601,000 (2015: S\$62,601,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

16. INTANGIBLE ASSETS (CONT'D)

(a) Goodwill (cont'd)

(iii) Hospitality SBU

Based on the finalised PPA, goodwill on the acquisition of MHDV was determined at S\$60,480,000 (GBP 28,800,000) (Note 13).

For the purposes of impairment testing, the carrying amount of goodwill on the acquisition of MHDV has been allocated to the Malmaison hotels (S\$26,535,000 (GBP15,000,000)) and Hotel du Vin hotels (S\$24,412,000 (GBP13,800,000)) CGUs.

As at 30 September 2016, the carrying value of goodwill is GBP28,800,000 (2015: GBP28,608,000).

The recoverable amount of these two CGUs were based on its respective value in use, determined by discounting the projected cash flows over 7 years to be generated from the continuing use of the CGU. Cash flows beyond these periods are extrapolated using the estimated terminal growth rates stated in the table below which are within management's expectation of the long term average growth rates of the industry and countries in which the two CGUs operate.

The key assumptions used in the estimation of the value in use were as follows:

	Malmaison hotels CGU %	Hotel du Vin hotels CGU %
Discount rate	7.0	7.0
Terminal value growth rate	2.0 – 3.0	3.0

The recoverable amount yields sufficient headroom at the reporting date which indicates no impairment required.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

16. INTANGIBLE ASSETS (CONT'D)

(b) Brands

Brands relate to the "Malmaison" and "Hotel du Vin" brand names that the Group acquired in the prior year. Based on the finalised PPA, the amount has been valued at \$158,346,000 (Note 13). As the brands are determined to have indefinite useful lives, no amortisation has been charged for the year.

The methodology and key assumptions used in estimation of the recoverable amounts of Malmaison hotels and Hotel du Vin hotels CGUs are set out in Note 16(a)(iii).

(c) Favourable Leases

Based on the finalised PPA, favourable leases attributable to the Malmaison hotels CGU has been valued at \$45,270,000 (Note 13). Amortisation of \$1,067,000 (2015: \$164,000) was charged to the profit statement.

The methodology and key assumptions used in estimation of the recoverable amounts of the Malmaison hotels CGU are set out in Note 16(a)(iii).

17. PREPAYMENTS

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-current				
Prepayments	3,074	8,349	-	-
Current				
Prepaid land and development costs	60,455	19,877	-	-
Other prepayments	52,602	41,328	51	47
	113,057	61,205	51	47
Total prepayments	116,131	69,554	51	47

Prepaid land and development costs relate to tender deposits and related costs paid in respect of tender of Changjiang Road, Dalian, China for the development of serviced residences.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

18. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Other receivables (non-current)					
Amounts due from subsidiaries	13	–	–	1,414,431	2,721,722
Loans to joint ventures	14	165,965	120,106	–	–
Loans to associates	14	14,500	78,531	–	–
Receivables from joint development agreements		43,804	37,096	–	–
Sundry debtors		4,375	5,743	–	–
		228,644	241,476	1,414,431	2,721,722
Trade receivables (current)					
Trade receivables		65,030	72,886	1,238	617
Sales proceeds and progress billing receivables		159,544	208,397	–	–
		224,574	281,283	1,238	617
Other receivables (current)					
Tax recoverable		11,033	13,558	1,103	–
Accrued interest income		15,088	7,301	–	–
Staff loans and advances		702	1,124	–	–
Other deposits		36,659	7,034	–	2
Insurance claims receivable		–	6,707	–	–
Proceeds from disposal of subsidiary held in escrow account		–	78,933	–	–
Receivables from joint development agreements		33,791	34,032	–	–
Recoverable development costs		12,506	18,743	–	–
Amounts due from subsidiaries	13	–	–	1,958,514	290,390
Amounts due from related companies		321	3,406	–	1,091
Loans to joint ventures	14	285,202	261,257	–	–
Loans to associates	14	–	–	–	–*
Loan to a non-controlling interest		–	84,969	–	–
Sundry debtors		57,945	45,158	72	1,365
		453,247	562,222	1,959,689	292,848
Total trade and other receivables (current)		677,821	843,505	1,960,927	293,465
Total trade and other receivables (current and non-current)		906,465	1,084,981	3,375,358	3,015,187

* Denotes amount less than \$1,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

18. TRADE AND OTHER RECEIVABLES (CONT'D)

Trade Receivables

Trade receivables comprise mainly rental receivables, are non-interest bearing and are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Sales Proceeds and Progress Billing Receivables

Sales proceeds receivables relate to the balance of sales proceeds from completed properties held for sale which will be received upon issue of notice of vacant possession, certificate of statutory completion, expiry of defect liability period and/or title subdivision.

Progress billing receivables relate to the outstanding balance of progress billings which are due after the purchasers receive the notices to make payments.

Receivables from Joint Development Agreements

The timing of expected receipts of cash flows associated with current and non-current receivables from joint development agreements are based on cash flow forecast carried out in conjunction with detailed reviews of the project feasibility studies.

Amounts due from Related Companies

Amounts due from related companies are non-trade related, unsecured, interest free and repayable on demand in cash.

Loan to a Non-Controlling Interest

In 2015, the loan to a NCI was related to the NCI's share of shareholders' loan contributions to a subsidiary, Frasers (Australia) Pte. Ltd., paid on behalf by FCL Clover Pte. Ltd., another subsidiary of the Company. The amount was repayable in cash and bore interest at a fixed rate of 8% per annum.

In conjunction with the SQIA acquisition (Note 13(c)), this loan was fully settled during the year.

There is no concentration of credit risk with respect to the trade receivables of the Group as they consist of a large number of customers that are geographically dispersed. The Group does not have any significant credit risk exposure to a single customer or group of customers. The Group generally holds collateral in the form of bank deposits, bank guarantees or mortgages over assets until completion.

The credit risk associated with receivables from joint ventures is monitored through management's review of project feasibilities and the Group's ongoing involvement in the operations of these entities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

18. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Credit Risk by Strategic Business Units

The maximum exposure to credit risk for trade receivables and sales proceeds receivable at the reporting date by strategic business units is as follows:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Singapore SBU	82,296	165,318	-	-
Australia SBU	96,379	54,120	-	-
Hospitality SBU	38,829	58,855	-	-
International Business	3,324	516	-	-
Corporate and Others	3,746	2,474	1,238	617
	224,574	281,283	1,238	617

(b) Trade Receivables that are Past Due but Not Impaired

The Group had trade receivables amounting to \$21,063,000 (2015: \$17,763,000) that are past due at reporting date but not impaired. These receivables are unsecured and the aging analysis at the reporting date is as follows:

	Group	
	2016 \$'000	2015 \$'000
Trade receivables past due:		
1 to 30 days	16,068	10,180
31 to 60 days	2,618	3,620
61 to 90 days	1,215	1,459
More than 90 days	1,162	2,504
	21,063	17,763

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

18. TRADE AND OTHER RECEIVABLES (CONT'D)

(c) Trade Receivables that are Impaired

The Group's trade receivables that are impaired at the reporting date and the movements of the allowance account used to record the impairment are as follows:

	Group			
	Collectively Impaired		Individually Impaired	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Trade receivables – nominal amounts	4,434	5,038	4,326	1,908
Allowance for impairment	(2,096)	(2,013)	(4,326)	(1,908)
	2,338	3,025	–	–
Movements in allowance account:				
At 1 October	2,013	2,291	1,908	1,855
Currency re-alignment	83	(278)	(57)	27
Charge for the year (Note 4(a))	11	11	3,179	771
Write-back of allowance (Note 4(a))	(11)	(11)	(675)	(617)
Written off	–	–	(29)	(128)
At 30 September	2,096	2,013	4,326	1,908

Trade and other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Based on the Group's historical experience in the collection of receivables, management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

19. DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities prior to offsetting of balances within the same jurisdiction are as follows:

	Group			
	Balance Sheet		(Charged)/credited to Profit Statement	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
<u>Deferred tax assets</u>				
Fair value adjustments	-	-	-	(1,403)
Provisions, expenses and income taken in a different period	23,220	24,708	(196)	2,606
Employee benefits	6,260	4,723	1,233	349
Unabsorbed losses and capital allowances	99,013	98,797	(3,488)	(39,165)
Others	23,905	34,290	(27,587)	(36,849)
Gross deferred tax assets	<u>152,398</u>	<u>162,518</u>	<u>(30,038)</u>	<u>(74,462)</u>
<u>Deferred tax liabilities</u>				
Fair value adjustments	(171,540)	(167,395)	(10,599)	(24,525)
Provisions, expenses and income taken in a different period	(99,004)	(88,085)	(16,540)	67,454
Differences in depreciation	(12,466)	(12,493)	216	(1,524)
Others	(20,306)	(42,557)	25,700	(14,375)
Gross deferred tax liabilities	<u>(303,316)</u>	<u>(310,530)</u>	<u>(1,223)</u>	<u>27,030</u>

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax jurisdiction. The amounts, determined after appropriate offsetting, are shown on the balance sheet.

	Group	
	2016 \$'000	2015 \$'000
Deferred tax assets	55,160	169,724
Deferred tax liabilities	(206,078)	(317,736)
	<u>(150,918)</u>	<u>(148,012)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

20. PROPERTIES HELD FOR SALE

	Group	
	2016 \$'000	2015 \$'000
Development properties held for sale		
Properties in the course of development, at cost	3,331,291	3,701,765
Write-down to net realisable value	<u>(94,165)</u>	<u>(110,437)</u>
	3,237,126	3,591,328
Development profit	117,806	61,155
	3,354,932	3,652,483
Progress payments received and receivable	<u>(206,356)</u>	<u>(115,720)</u>
	3,148,576	3,536,763
Completed properties held for sale		
Completed units, at cost	899,902	407,247
Write-down to net realisable value	<u>(50,927)</u>	<u>(21,338)</u>
	848,975	385,909
Total properties held for sale	<u>3,997,551</u>	<u>3,922,672</u>

Movements in write-down to net realisable value are as follows:

	Group	
	2016 \$'000	2015 \$'000
Development properties held for sale		
At 1 October	(110,437)	(93,725)
Currency re-alignment	1,174	8,912
Charge for the year (Note 4(a))	(27,842)	(25,624)
Sold during the year	31,099	–
Transfer to completed properties held for sale	11,841	–
At 30 September	<u>(94,165)</u>	<u>(110,437)</u>
Completed properties held for sale		
At 1 October	(21,338)	(1,298)
Currency re-alignment	906	(247)
Charge for the year (Note 4(a))	(19,268)	(19,793)
Sold during the year	614	–
Transfer from development properties held for sale	(11,841)	–
At 30 September	<u>(50,927)</u>	<u>(21,338)</u>

- (a) During the year, net interest expense of \$39,140,000 (2015: \$61,498,000) arising from borrowings obtained specifically for the projects was capitalised as cost of development properties held for sale.

The borrowing costs of loans used to finance the projects have been capitalised at interest rates of between 1.8% and 4.4% (2015: 2.5% and 4.9%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

20. PROPERTIES HELD FOR SALE (CONT'D)

- (b) The following table provides information about agreements that are in progress at the reporting date where revenue is recognised on a percentage of completion basis:

	Group	
	2016	2015
	\$'000	\$'000
Aggregate costs incurred and recognised to date	648,731	568,168
Less: Progress billings	(206,356)	(115,720)
	<u>442,375</u>	<u>452,448</u>

- (c) Included in development properties held for sale are projects of approximately \$652,667,000 (2015: \$987,511,000) which are expected to be completed within the next twelve months.
- (d) Included in development properties held for sale are the following significant transactions between the Group and related parties which took place during the year at terms agreed between the parties:

	Group	
	2016	2015
	\$'000	\$'000
Interest expense		
– paid to related parties	650	741
Development costs		
– paid to related parties	<u>112,181</u>	<u>20,272</u>

- (e) Certain subsidiaries have granted fixed and floating charges over their properties held for sale totalling \$1,596,259,000 (2015: \$1,592,175,000) to financial institutions as securities for credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

21. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Assets				
Cross currency interest rate swaps/ cross currency swaps	4,689	10,594	225	–
Interest rate swaps	1,446	58,178	–	19,463
Foreign currency forward contracts	5,362	7,330	–	5,352
	11,497	76,102	225	24,815
Comprise:				
– Current	9,361	20,167	–	5,352
– Non-current	2,136	55,935	225	19,463
	11,497	76,102	225	24,815
Liabilities				
Cross currency interest rate swaps/ cross currency swaps	19,328	1,318	–	–
Interest rate swaps	107,541	51,360	32,557	20,018
Foreign currency forward contracts	10,049	8,516	190	7,605
	136,918	61,194	32,747	27,623
Comprise:				
– Current	46,924	24,602	263	8,006
– Non-current	89,994	36,592	32,484	19,617
	136,918	61,194	32,747	27,623

(a) Cross Currency Interest Rate Swaps/Cross Currency Swaps

The Group enters into cross currency interest rate swaps and cross currency swaps to hedge its exposure to interest rate risks associated with movements in interest rates which impact the borrowing costs of the Group and also to hedge exposure to exchange rate risks on foreign currency borrowings.

The Group and the Company have cross currency interest rate swap and cross currency swap arrangements in place for the following amounts:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Notional amounts				
Within one year	112,744	–	–	–
Between one to three years	218,193	100,000	–	–
After three years	421,600	227,768	34,075	–
	752,537	327,768	34,075	–

Cross currency swaps with a carrying amount of \$705,000 (2015: Nil) were designated as hedge instruments for net investment hedges to hedge foreign exchange risks arising from the Group's net investments. There was no ineffectiveness recognised from these hedges.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

21. DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

(b) Interest Rate Swaps

Derivative financial instruments are used by the Group to hedge exposure to interest rate risks associated with movements in interest rates on the borrowings of the Group.

The Group and the Company have interest rate swap arrangements in place for the following amounts:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Notional amounts				
Within one year	2,031,979	549,429	88,595	–
Between one to three years	2,750,665	2,676,440	1,000,000	91,124
After three years	2,006,033	3,517,270	518,800	1,495,200
	6,788,677	6,743,139	1,607,395	1,586,324

At 30 September 2016, the fixed interest rates of the outstanding interest rate swap contracts ranged between 0.4% to 4.5% (2015: 1.0% to 3.5%) per annum.

Interest rate swaps with a carrying amount of \$105,494,000 (2015: \$33,062,000) were designated as hedge instruments for cash flow hedges, to hedge interest rate risks arising from variable rate borrowings. There was no ineffectiveness recognised from these hedges.

(c) Foreign Currency Forward Contracts

Foreign currency forward contracts are used by the Group to hedge exposure to exchange rate risks on foreign currency receivables and payables, cash and cash equivalents and borrowings. The carrying amounts of the foreign currency forward contracts are accounted for at fair value through profit statement.

The Group and the Company have foreign currency forward contract arrangements in place for the following amounts:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Notional amounts				
Within one year	794,294	813,568	102,000	421,558
Between one to three years	46,881	–	–	–
	841,175	813,568	102,000	421,558

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

22. BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Bank deposits				
Structured deposits	437,337	–	–	–
Cash and cash equivalents				
Fixed deposits	522,545	525,687	20,000	–
Cash in banks and in hand	1,117,713	690,197	47,516	9,064
Amounts held under “Project Account Rules – 1997 Ed”:				
– Fixed deposits	65,223	116,440	–	–
– Cash in banks	25,862	40,816	–	–
	91,085	157,256	–	–
Total cash and cash equivalents	1,731,343	1,373,140	67,516	9,064
Total bank deposits and cash and cash equivalents	2,168,680	1,373,140	67,516	9,064

(a) Bank deposits comprise the following Chinese Renminbi (“RMB”) structured deposits:

	Group		Interest Rate %	Maturity
	2016 Amount \$'000 RMB'000	2015 Amount \$'000 RMB'000		
Principal protected deposits				
Linked to United States Dollar (“US\$/”)/\$				
	61,309	300,000	–	–
	81,746	400,000	–	–
	20,436	100,000	–	–
Total principal protected deposits ⁽¹⁾	163,491	800,000	–	–
Credit-linked deposits				
Linked to US\$ LIBOR				
	6,131	30,000	–	–
	102,183	500,000	–	–
	108,314	530,000	–	–
Other deposits				
	46,714	228,580	–	–
	118,818	581,400	–	–
	165,532	809,980	–	–
Total credit-linked deposits ⁽²⁾	273,846	1,339,980	–	–
Total structured deposits	437,337	2,139,980	–	–

⁽¹⁾ Principal protected at maturity.

⁽²⁾ Credit-linked deposits are linked to certain financing obtained by FCL Treasury Pte. Ltd. (“FCLT”), a wholly-owned subsidiary of the Company (Note 25).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

22. BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (CONT'D)

- (b) Cash in banks earns interest at floating rates based on daily bank deposit rates. The tenure of short-term deposits vary between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.
- (c) The withdrawals from amounts held under "Project Account Rules – 1997 Ed" are restricted to payments for development expenditure incurred on properties developed for sale.
- (d) For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the reporting date:

		Group	
	Note	2016 \$'000	2015 \$'000
Fixed deposits and cash in banks and in hand		1,731,343	1,373,140
Bank overdrafts	25	(3,146)	(5,635)
Cash and cash equivalents in the consolidated cash flow statement		<u>1,728,197</u>	<u>1,367,505</u>

23. ASSETS HELD FOR SALE

On 19 September 2015, the Group, through its wholly-owned subsidiary Frasers Property Australia ("FPA"), entered into a conditional sale and purchase agreement with Ascendas Real Estate Investment Trust ("A-REIT") for FPA's 19.9% ownership interest in the Australand Logistics Joint Venture ("ALJV") property assets for S\$112,123,000 (A\$112,000,000). The underlying property value in the joint venture ("JV") recorded a fair value uplift of S\$25,528,000 (A\$25,500,000) to reflect the contract price of the assets. As at 30 September 2015, the Group's revalued 19.9% ownership interest in ALJV was transferred to assets held for sale and was appropriately carried at the lower of cost and fair value less selling costs. The transaction was completed on 18 November 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

24. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Trade payables		472,436	380,433	1,074	186
Other payables (current)					
Amounts due to non-controlling interests		4,156	132,479	–	–
Interest payable		45,297	43,480	–	–
Accrued operating expenses and sundry creditors		407,498	335,339	7,713	8,178
Land vendor liabilities		66,461	39,077	–	–
Rental deposits		56,130	45,238	–	–
Deposits		67,327	58,882	–	–
Amounts due to subsidiaries	13	–	–	187,435	21,495
Amounts due to related companies		669	843	–	6
Loan from an associate	14	85,947	–	–	–
Loans from joint ventures	14	109	115	–	–
Progress billings received in advance		488,931	278,762	–	–
		1,222,525	934,215	195,148	29,679
Total trade and other payables (current)		1,694,961	1,314,648	196,222	29,865
Other payables (non-current)					
Sundry creditors		67,504	35,142	–	–
Land vendor liabilities		146,844	75,508	–	–
Rental deposits		33,192	50,526	–	–
Amounts due to subsidiaries	13	–	–	1,308	207,077
Amounts due to non-controlling interests		42,886	–	–	–
Loan from an associate	14	–	92,575	–	–
		290,426	253,751	1,308	207,077
Total trade and other payables (current and non-current)		1,985,387	1,568,399	197,530	236,942

Trade Payables

Trade payables are non-interest bearing and are generally settled on 30 to 60 days term.

Amounts due to Non-Controlling Interests

Current amounts due to non-controlling interests are non-trade in nature, unsecured, repayable in cash on demand and interest free.

Included in non-current amounts due to non-controlling interests is \$28,932,000 (2015: Nil) which bears interest at a range between 1.9% and 2.8% (2015: Nil), are non-trade in nature, unsecured and with no fixed term of repayment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

24. TRADE AND OTHER PAYABLES (CONT'D)

Sundry Creditors

Included in non-current sundry creditors are unfavourable leases of \$11,537,000 (2015: \$14,597,000) relating to a lease liability for effects of unfavourable leases recognised on acquisition of MHDV (Note 13) and is amortised over the lease terms of the hotel properties.

Amounts due to Related Companies

Amounts due to related companies are non-trade related, interest free, unsecured and repayable in cash. The current amounts are repayable upon demand.

Land Vendor Liabilities

When a subsidiary enters into unconditional contracts with land vendors to purchase properties for future development that contain deferred payment terms, these liabilities are disclosed at their present value.

The amount owing to land vendors of \$146,844,000 (2015: \$75,508,000) is secured over the properties until the balance of the purchase monies has been paid or settlement of the acquisition has occurred.

25. LOANS AND BORROWINGS

	Weighted Average Effective Interest Rate		Group		Company	
	2016	2015	2016	2015	2016	2015
	%	%	\$'000	\$'000	\$'000	\$'000
Repayable within one year:						
<u>Unsecured</u>						
Bank loans	2.2	4.1	1,052,700	640,173	-	-
Medium Term Notes	2.9	-	30,000	-	-	-
Bank overdrafts	-	-	3,146	5,635	-	-
<u>Secured</u>						
Bank loans	3.1	2.3	384,270	374,329	-	-
			1,470,116	1,020,137	-	-
Repayable after one year:						
<u>Unsecured</u>						
Bank loans	2.5	2.9	4,587,183	6,107,626	-	-
Medium Term Notes	3.4	3.4	1,081,541	544,193	-	-
Other bonds	3.4	3.5	529,268	524,877	-	-
<u>Secured</u>						
Bank loans	1.9	2.9	2,096,135	2,047,742	-	-
Other bonds	4.9	4.9	31,294	30,882	-	-
			8,325,421	9,255,320	-	-
Total loans and borrowings			9,795,537	10,275,457	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

25. LOANS AND BORROWINGS (CONT'D)

- (a) The secured bank loans and other bonds are secured by certain subsidiaries by way of fixed and floating charges over certain assets and mortgages on freehold and leasehold land under development as disclosed in Notes 11, 12 and 20.
- (b) Maturity of non-current loans and borrowings is as follows:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Between 1 and 2 years	1,119,011	1,667,498	-	-
Between 3 and 5 years	6,190,504	6,817,991	-	-
After 5 years	1,015,906	769,831	-	-
At 30 September	8,325,421	9,255,320	-	-

- (c) As at 30 September 2016, the Group and the Company had interest rate swaps in place, which have the economic effect of converting borrowings from variable rates to fixed rates. The fair values and the terms of these interest rate swaps are discussed in Notes 21 and 34.
- (d) FCLT has a S\$3,000,000,000 Multicurrency Debt Issuance Programme, which is unconditionally and irrevocably guaranteed by the Company.
- (e) The Group, through its subsidiary, FCT, established a S\$1,000,000,000 Multicurrency Debt Issuance Programme.
- (f) The Group, through its subsidiary, FCOT, established a S\$1,000,000,000 Multicurrency Medium Term Note Programme.
- (g) The Group, through its subsidiary, FHT, established a S\$1,000,000,000 Multicurrency Debt Issuance Programme.
- (h) Included in other bonds are:

Unsecured

- (i) Retail bonds of S\$497,886,000 (2015: S\$497,518,000) issued by FCLT. The bonds mature 7 years from 22 May 2015, are unsecured and are unconditionally and irrevocably guaranteed by the Company.
- (ii) Bonds of S\$31,382,000 (JPY 2.35 billion) (2015: S\$27,359,000 (JPY 2.35 billion)) issued by FHT. The Japanese Yen denominated bonds mature 5 years from 14 July 2014 and are unsecured.

Secured

- (iii) Senior bonds of S\$31,294,000 (MYR 94,886,000) (2015: S\$30,882,000 (MYR 94,846,000)) issued by FHT. The Malaysian Ringgit denominated bonds mature 5 years from 14 July 2014 and are secured by the Westin Kuala Lumpur.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

26. SHARE CAPITAL

	Group and Company			
	2016		2015	
	No. of Shares	\$'000	No. of Shares	\$'000
Issued and fully paid:				
Ordinary Shares				
At 1 October	2,895,009,863	1,759,858	2,889,812,572	1,753,977
Issued during the year:				
– pursuant to the vesting of shares awarded under the share plans	4,986,581	6,942	5,197,291	5,881
At 30 September	<u>2,899,996,444</u>	<u>1,766,800</u>	2,895,009,863	1,759,858

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All shares carry one vote per share without restriction.

The ordinary shares have no par value.

27. OTHER RESERVES

	Group		Company	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Hedging reserve	(75,374)	27,804	3,700	3,217
Foreign currency translation reserve	(471,347)	(468,446)	–	–
Share-based compensation reserve	18,600	15,353	18,600	15,322
Dividend reserve	179,800	179,491	179,800	179,491
Other reserves	20,588	–	–	–
	<u>(327,733)</u>	<u>(245,798)</u>	<u>202,100</u>	<u>198,030</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

27. OTHER RESERVES (CONT'D)

The movement of other reserves is as follows:

	Hedging Reserve \$'000	Foreign Currency Translation Reserve \$'000	Share- based Compensation Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000
Group 2016						
Opening balance at 1 October 2015	27,804	(468,446)	15,353	179,491	–	(245,798)
<u>Other comprehensive income</u>						
Net fair value change of cash flow hedges	(103,204)	–	–	–	–	(103,204)
Foreign currency translation	–	(2,180)	–	–	–	(2,180)
Share of other comprehensive income of joint ventures and associates	(56)	–	–	–	20,588	20,532
Other comprehensive income for the year	(103,260)	(2,180)	–	–	20,588	(84,852)
<u>Contributions by and distributions to owners</u>						
Ordinary shares issued	–	–	(6,942)	–	–	(6,942)
Employee share-based expense	–	–	10,189	–	–	10,189
Dividends paid (Note 30)	–	–	–	(179,491)	–	(179,491)
Dividends proposed (Note 30)	–	–	–	179,800	–	179,800
Total contributions by and distributions to owners	–	–	3,247	309	–	3,556
<u>Changes in ownership interests in subsidiaries</u>						
Change in interests in subsidiaries without change in control	82	(721)	–	–	–	(639)
Total change in ownership interests in subsidiaries	82	(721)	–	–	–	(639)
Closing balance at 30 September 2016	(75,374)	(471,347)	18,600	179,800	20,588	(327,733)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

27. OTHER RESERVES (CONT'D)

	Hedging Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign Currency Translation Reserve \$'000	Share-based Compensation Reserve \$'000	Dividend Reserve \$'000	Other Reserve \$'000	Total \$'000
Group							
2015							
Opening balance at 1 October 2014	2,790	671	(78,238)	12,231	179,168	532	117,154
<u>Other comprehensive income</u>							
Net fair value change of cash flow hedges	24,839	-	-	-	-	-	24,839
Foreign currency translation	-	-	(390,253)	-	-	-	(390,253)
Share of other comprehensive income of joint ventures and associates	175	-	-	-	-	-	175
Realisation of reserves on disposal of a joint venture and an associate	-	(671)	-	-	-	(606)	(1,277)
Other comprehensive income for the year	25,014	(671)	(390,253)	-	-	(606)	(366,516)
<u>Contributions by and distributions to owners</u>							
Ordinary shares issued	-	-	-	(5,881)	-	-	(5,881)
Employee share-based expense	-	-	-	9,003	-	-	9,003
Dividends paid (Note 30)	-	-	-	-	(179,168)	-	(179,168)
Dividends proposed (Note 30)	-	-	-	-	179,491	-	179,491
Total contributions by and distributions to owners	-	-	-	3,122	323	-	3,445
<u>Changes in ownership interests in subsidiaries</u>							
Dilution of interests in subsidiaries without change in control	-	-	45	-	-	-	45
Issuance costs incurred by subsidiaries	-	-	-	-	-	74	74
Total change in ownership interests in subsidiaries	-	-	45	-	-	74	119
Closing balance at 30 September 2015	27,804	-	(468,446)	15,353	179,491	-	(245,798)

(a) Hedging Reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

27. OTHER RESERVES (CONT'D)

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the effect of hedging net investment in foreign operations and translating foreign currency loans which form part of the Group's net investment in foreign operations.

(c) Share-based Compensation Reserve

The share-based compensation reserve comprises the cumulative value of employee services received for the issue of the shares under the share plans of the Company (Note 28).

(d) Dividend Reserve

Dividend reserve relates to proposed final dividend of 6.2 cents (2015: 6.2 cents) per share (Note 30).

(e) Other Reserve

Included in other reserves are statutory reserves which relate to appropriation of funds from the net profit of subsidiaries and associates in China and Thailand, respectively, in accordance with the local laws.

28. SHARE PLANS

(a) FCL Restricted Share Plan ("RSP")

The RSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 25 October 2013.

Information regarding the RSP are as follows:

- (i) Depending on the achievement of pre-determined targets over a 2-year period for the RSP, the final number of restricted shares awarded could range between 0% to 150% of the initial grant of the restricted shares.
- (ii) 50% of the RSP final awards will vest at the end of the 2-year performance period. The balance will vest equally over the subsequent two years with fulfilment of service requirements.

The expense recognised in the profit statement granted under the RSP during the financial year is \$9,662,000 (2015: \$7,562,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

28. SHARE PLANS (CONT'D)

(a) FCL Restricted Share Plan ("RSP") (cont'd)

The estimated fair value of shares granted during the year ranges from \$1.42 to \$1.54 (2015: \$1.42 to \$1.54). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2016	2015
Dividend yield (%)	3.96	4.26
Expected volatility (%)	19.33	18.78
Risk-free interest rate (%)	1.95 to 2.32	1.48 to 1.98
Expected life (years)	2.03 to 4.03	1.36 to 3.36
Share price at date of grant (\$)	1.67	1.64

(b) FCL Performance Share Plan ("PSP")

The PSP is a share-based incentive plan for senior executives and key senior management, which was approved by shareholders of the Company at an Extraordinary General Meeting held on 25 October 2013.

Information regarding the PSP are as follows:

- (i) Depending on the achievement of pre-determined targets over a 3-year period, the final number of restricted shares awarded could range between 0% to 200% of the initial grant of the restricted shares.
- (ii) 100% of the final PSP awards will vest at the end of the 3-year performance period.

The expense recognised in the profit statement granted under the PSP during the financial year is \$558,000 (2015: \$1,441,000).

The estimated fair value of shares granted during the year is \$1.04 (2015: \$1.01). The fair value of equity-settled contingent award of shares are determined using Monte Carlo Valuation Model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used are as follows:

	2016	2015
Dividend yield (%)	3.96	4.26
Expected volatility (%)	19.33	18.78
Cost of equity (%)	7.20	6.10
Risk-free interest rate (%)	2.15	1.75
Expected life (years)	3.03	2.36
Share price at date of grant (\$)	1.67	1.64

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

28. SHARE PLANS (CONT'D)

(c) RSP and PSP granted

The third grant of RSP and PSP ("Year 3") was made on 22 December 2015. The details of the shares awarded under the RSP and PSP in aggregate are as follows:

RSP Shares	Grant Date	Balance as at 1 October 2015 or Grant Date if Later	Cancelled	Achievement Factor	Vested	Balance as at 30 September 2016 or Grant Date if Later
Replacement						
FCL Awards*	3 October 2014	3,015,881	(25,650)	–	(1,986,731)	1,003,500
Year 1	3 October 2014	4,009,127	(49,600)	870,973	(2,440,050)	2,390,450
Year 2	19 August 2015	7,592,138	(637,000)	–	–	6,955,138
Year 3	22 December 2015	10,127,771	(728,000)	–	–	9,399,771
		<u>24,744,917</u>	<u>(1,440,250)</u>	<u>870,973</u>	<u>(4,426,781)</u>	<u>19,748,859</u>

* The Replacement FCL Awards were granted to replace the 1,844,401 Outstanding F&N Awards.

PSP Shares	Grant Date	Balance as at 1 October 2015 or Grant Date if Later	Cancelled	Achievement Factor	Vested	Balance as at 30 September 2016 or Grant Date if Later
Replacement						
FCL Awards**	3 October 2014	598,655	–	(38,855)	(559,800)	–
Year 1	3 October 2014	667,839	–	–	–	667,839
Year 2	19 August 2015	469,059	–	–	–	469,059
Year 3	22 December 2015	523,616	–	–	–	523,616
		<u>2,259,169</u>	<u>–</u>	<u>(38,855)</u>	<u>(559,800)</u>	<u>1,660,514</u>

** The Replacement FCL Awards were granted to replace the 370,246 Outstanding F&N Awards.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

28. SHARE PLANS (CONT'D)

(c) RSP and PSP granted (cont'd)

The first grant of RSP and PSP for the FY2014 ("Year 1") was also made on 3 October 2014. The second grant of RSP and PSP ("Year 2") was made on 19 August 2015. The details of the shares awarded under the RSP and PSP in aggregate are as follows:

RSP Shares	Grant Date	Balance as at 1 October 2014 or Grant Date if Later	Cancelled	Achievement Factor	Vested	Balance as at 30 September 2015 or Grant Date if Later
Replacement						
FCL Awards*	3 October 2014	7,041,253	(96,335)	286,954	(4,215,991)	3,015,881
Year 1	3 October 2014	4,111,627	(102,500)	–	–	4,009,127
Year 2	19 August 2015	7,592,138	–	–	–	7,592,138
		<u>18,745,018</u>	<u>(198,835)</u>	<u>286,954</u>	<u>(4,215,991)</u>	<u>14,617,146</u>

* The Replacement FCL Awards were granted to replace the 1,844,401 Outstanding F&N Awards.

PSP Shares	Grant Date	Balance as at 1 October 2014 or Grant Date if Later	Cancelled	Achievement Factor	Vested	Balance as at 30 September 2015 or Grant Date if Later
Replacement						
FCL Awards**	3 October 2014	1,200,527	–	379,428	(981,300)	598,655
Year 1	3 October 2014	667,839	–	–	–	667,839
Year 2	19 August 2015	469,059	–	–	–	469,059
		<u>2,337,425</u>	<u>–</u>	<u>379,428</u>	<u>(981,300)</u>	<u>1,735,553</u>

** The Replacement FCL Awards were granted to replace the 370,246 Outstanding F&N Awards.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

29. PERPETUAL SECURITIES

The Group's perpetual securities comprise perpetual securities issued by its subsidiaries, FCLT and FHT (the "Issuers").

	Issue Date	Principal Amount
<u>Issued under FCLT's S\$3,000,000,000 Multicurrency Debt Issuance Programme:</u>		
– 4.88% subordinated perpetual securities	24 September 2014	\$600,000,000
– 5.00% subordinated perpetual securities	9 March 2015	\$700,000,000
<u>Issued under FHT's S\$1,000,000,000 Multicurrency Debt Issuance Programme:</u>		
– 4.45% subordinated perpetual securities	12 May 2016	\$100,000,000

On 12 May 2016, the Group, through its subsidiary FHT, issued \$100,000,000 in aggregate principal amount of perpetual securities.

Issuance costs of \$1,471,000 was recognised in equity as a deduction from proceeds.

Distributions are payable semi-annually in arrears. The rates of distribution are subject to revision in accordance with the terms and conditions of the securities. Subject to such conditions, the Issuers may elect to defer making distributions on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

As the perpetual securities have no fixed maturity date and the payment of distributions is at the discretion of the Issuers, the Issuers are considered to have no contractual obligations to repay the principal or to pay any distributions, and the perpetual securities do not meet the definition for classification as a financial liability under FRS 32 *Financial Instruments: Disclosure and Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

The perpetual securities constitute direct, unconditional, subordinated and unsecured obligations of the Issuers and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations (as defined in the Conditions) of the Issuers. The securities may be redeemed at the option of the Issuers on any distribution payment date as specified in the Conditions and otherwise upon the occurrence of certain redemption events as specified in the Conditions.

30. DIVIDENDS

	Company	
	2016	2015
	\$'000	\$'000
Dividends on Ordinary Shares:		
<u>Interim paid</u>		
2.4 cents (2015: 2.4 cents) per share, tax exempt	69,909	69,803
<u>Final proposed</u>		
6.2 cents (2015: 6.2 cents) per share, tax exempt	179,800	179,491
	249,709	249,294

The final dividends are proposed by the Directors after the reporting date and subject to the approval of shareholders at the next annual general meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

31. FINANCIAL REPORTING STANDARDS ("FRS") AND INTERPRETATIONS OF FRS ("INT FRS")

FRS and INT FRS not yet effective

There are a number of standards, interpretations, and amendments of standards that have been issued but not yet effective and the Group and the Company have not early adopted any of these standards.

In addition, Singapore incorporated companies listed on the SGX will apply a new financial reporting framework identical to the International Financial Reporting Standards ("IFRS") for the financial year ending 31 December 2018 onwards. Singapore incorporated companies listed on the SGX will have to assess the impact of IFRS1 *First time adoption of IFRS* when transitioning to the new reporting framework.

Description		Effective for Annual Period Beginning on or After
FRS 114	<i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to FRS 27	<i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to FRS 16 and FRS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to FRS 111	<i>Accounting for Acquisition of Interests in Joint Operations</i>	1 January 2016
Amendments to FRS 110 and FRS 28	<i>Sale for Contribution of Assets between an Investor and its Associate or Joint Venture</i>	1 January 2016
Improvements to FRSs (November 2014)		
(a) Amendments to FRS 105	<i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 January 2016
(b) Amendments to FRS 107	<i>Financial Instruments: Disclosures</i>	1 January 2016
(c) Amendments to FRS 19	<i>Employee Benefits</i>	1 January 2016
(d) Amendments to FRS 34	<i>Interim Financial Reporting</i>	1 January 2016
Amendments to FRS 1	<i>Disclosure Initiative</i>	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28	<i>Investment Entity: Applying the Consolidation Exception</i>	1 January 2016
Amendments to FRS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
FRS 115	<i>Revenue from Contracts with Customers</i>	1 January 2018
FRS 109	<i>Financial Instruments</i>	1 January 2018
FRS 116	<i>Leases</i>	1 January 2019

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

31. FINANCIAL REPORTING STANDARDS ("FRS") AND INTERPRETATIONS OF FRS ("INT FRS") (CONT'D)

With the exception of FRS 115, FRS 116 and FRS 109, the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115, FRS 116 and FRS 109 are described below.

FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

When effective, FRS 115 replaces existing revenue recognition guidance, including FRS 18 *Revenue*, FRS 11 *Construction Contracts*, INT FRS 113 *Customer Loyalty Programmes*, INT FRS 115 *Agreements for the Construction of Real Estate*, INT FRS 118 *Transfers of Assets from Customers* and INT FRS 31 *Revenue – Barter Transactions Involving Advertising Services*.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

FRS 109 Financial Instruments

FRS 109 replaces most of the existing guidance in FRS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from FRS 39.

FRS 109 is effective for financial periods beginning on or after 1 January 2018 with early adoption permitted. The Group plans to adopt the new standard on the required effective date.

FRS 116 Leases

FRS 116 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognise right-of-use (ROU) assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. FRS 116 substantially carries forward the lessor accounting requirements in FRS 17 *Leases*. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the FRS 17 operating lease and finance lease accounting models respectively. However, FRS 116 requires more extensive disclosures to be provided by a lessor. When effective, FRS 116 replaces existing lease accounting guidance, including FRS 17, INT FRS 104 *Determining whether an Arrangement contains a Lease*, INT FRS 15 *Operating Leases – Incentives*, and INT FRS 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

FRS 116 is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted if FRS 115 is also applied. The Group is currently assessing the impact of FRS 116 and plans to adopt the new standard on the required effective date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

32. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group considers the Directors of the Company, and Key Executive Officers comprising the Group CEO, key management officers of the corporate office and CEOs of the strategic business units, to be key management personnel in accordance with FRS 24 *Related Party Disclosures*.

Sale and Purchase of Goods and Services

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place during the period at terms agreed between the parties:

	Group	
	2016	2015
	\$'000	\$'000
Rental and service charge income		
– received from related companies	(2,843)	(2,843)
Hotel and other income		
– received from related companies	(240)	(286)
Management fees		
– received from joint ventures	(1,567)	(2,143)
– paid to a related company	–	1,245
– paid to a related party	180	180
Purchases		
– paid to related companies	502	129
Interest (income)/expense		
– received from related parties	(15,061)	(15,025)
– paid to related parties	78	43
Marketing fees		
– received from joint ventures	(653)	(586)
Accounting and secretarial fees		
– received from joint ventures	(662)	(789)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Group has risk management policies and guidelines governing all investments, which set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control hedging transactions in a timely and accurate manner. All investment opportunities are reviewed regularly by the Executive Committee of the Board to ensure that the Group's policy guidelines are adhered to.

(a) *Credit Risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

As at the reporting date, the Group's and the Company's maximum exposure to credit risk in the event that the counterparties fail to perform their obligations is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

As at 30 September 2016, 100% (2015: 100%) of the Company's receivables are due from subsidiaries. There is no significant credit risk as these companies are of good credit standing.

The Group has guidelines governing the monitoring of credit risk. Contractual deposits are collected and scheduled progress payments are received from the buyers of development properties held for sale when due. Titles to development properties held for sale are only transferred upon full settlement. Rental deposits are collected from tenants and debts are monitored regularly to minimise risk of non-payment.

Cash and fixed deposits are placed with reputable financial institutions. Information regarding financial assets that are either past due or impaired and the aging analysis of trade receivables is disclosed in Note 18.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's maximum credit risk exposure for cross currency interest rate swaps, cross currency swaps, foreign currency swap contracts and interest rate swap contracts are limited to the fair value adjustments of these contracts. It is the Group's and the Company's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Group and the Company do not expect to incur material credit losses on their financial assets or other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity Risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group adopts a prudent approach to managing its liquidity risk. The Group always maintains sufficient cash and has available funding through a diverse source of uncommitted credit facilities from various banks and a related company. Surplus cash from subsidiaries are transferred to the Company in accordance with its group policy for management of liquidity of the companies in the Group.

The following are the expected contractual undiscounted cash flows of financial liabilities and derivative financial instruments, including interest payments and excluding the impact of netting agreements.

	Carrying amount \$'000	Contractual Cash Flows			
		Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000
Group					
2016					
Financial liabilities, at amortised cost					
Loans and borrowings	(9,795,537)	(10,567,405)	(1,690,805)	(7,797,752)	(1,078,848)
Trade and other payables [#]	(1,496,456)	(1,496,456)	(1,206,030)	(221,663)	(68,763)
	(11,291,993)	(12,063,861)	(2,896,835)	(8,019,415)	(1,147,611)
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)	(106,095)	(107,705)	(35,755)	(71,950)	-
Forward foreign exchange contracts (gross-settled)	(4,687)				
– outflow		(827,710)	(827,710)	-	-
– inflow		821,901	821,901	-	-
Cross currency interest rate swaps/ cross currency swaps (gross-settled)	(14,639)				
– outflow		(817,119)	(128,767)	(688,352)	-
– inflow		802,826	128,693	674,133	-
	(125,421)	(127,807)	(41,638)	(86,169)	-
	(11,417,414)	(12,191,668)	(2,938,473)	(8,105,584)	(1,147,611)

[#] Exclude progress billings received in advance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity Risk (cont'd)

	Carrying amount \$'000	Contractual Cash Flows			
		Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000
Group					
2015					
Financial liabilities, at amortised cost					
Loans and borrowings	(10,275,457)	(13,416,004)	(1,319,292)	(11,281,922)	(814,790)
Trade and other payables [#]	(1,289,637)	(1,298,572)	(1,040,874)	(221,757)	(35,941)
	<u>(11,565,094)</u>	<u>(14,714,576)</u>	<u>(2,360,166)</u>	<u>(11,503,679)</u>	<u>(850,731)</u>
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)	6,818	10,114	(4,125)	14,239	-
Forward foreign exchange contracts (gross-settled)	(1,186)				
– outflow		(818,649)	(818,649)	-	-
– inflow		818,090	818,090	-	-
Cross currency interest rate swaps/ cross currency swaps (gross-settled)	9,276				
– outflow		(357,468)	(8,792)	(348,676)	-
– inflow		367,959	7,771	360,188	-
	<u>14,908</u>	<u>20,046</u>	<u>(5,705)</u>	<u>25,751</u>	<u>-</u>
	<u>(11,550,186)</u>	<u>(14,694,530)</u>	<u>(2,365,871)</u>	<u>(11,477,928)</u>	<u>(850,731)</u>

[#] Exclude progress billings received in advance.

The table below indicates the periods in which the cash flows associated with the cash flow hedges are expected to occur:

	Group	
	2016 \$'000	2015 \$'000
1 year or less	(50,585)	(13,227)
1 to 5 years	(57,581)	48,709
	<u>(108,166)</u>	<u>35,482</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity Risk (cont'd)

	Carrying amount \$'000	Contractual Cash Flows			
		Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000
Company					
2016					
Financial liabilities, at amortised cost					
Trade and other payables	(8,787)	(8,787)	(8,787)	-	-
Amounts due to subsidiaries	(188,743)	(188,743)	(187,435)	(1,308)	-
Recognised liabilities	(197,530)	(197,530)	(196,222)	(1,308)	-
Corporate guarantees	-	(6,974,672)	(6,974,672)	-	-
	(197,530)	(7,172,202)	(7,170,894)	(1,308)	-
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)	(32,557)	(32,716)	(73)	(32,643)	-
Forward foreign exchange contracts (gross-settled)	(190)				
- outflow		(102,663)	(102,663)	-	-
- inflow		102,417	102,417	-	-
Cross currency interest rate swaps/ cross currency swaps (gross-settled)	225				
- outflow		(38,332)	(870)	(37,462)	-
- inflow		38,436	780	37,656	-
	(32,522)	(32,858)	(409)	(32,449)	-
	(230,052)	(7,205,060)	(7,171,303)	(33,757)	-
2015					
Financial liabilities, at amortised cost					
Trade and other payables	(8,370)	(8,370)	(8,370)	-	-
Amounts due to subsidiaries	(228,572)	(228,572)	(21,495)	(205,433)	(1,644)
Recognised liabilities	(236,942)	(236,942)	(29,865)	(205,433)	(1,644)
Corporate guarantees	-	(7,232,201)	(7,232,201)	-	-
	(236,942)	(7,469,143)	(7,262,066)	(205,433)	(1,644)
Derivative financial assets/(liabilities), at fair value					
Interest rate swaps (net-settled)	(555)	(427)	(402)	(25)	-
Forward foreign exchange contracts (gross-settled)	(2,253)				
- outflow		(426,879)	(426,879)	-	-
- inflow		425,068	425,068	-	-
	(2,808)	(2,238)	(2,213)	(25)	-
	(239,750)	(7,471,381)	(7,264,279)	(205,458)	(1,644)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity Risk (cont'd)

The maturity analyses show the contractual undiscounted cash flows of the Group's and the Company's financial liabilities on the basis of their earliest possible contractual maturity. The cash inflows/(outflows) disclosed relate to those instruments held for risk management purposes and which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement e.g. forward exchange contracts. Net-settled derivative financial assets are included in the maturity analyses as they are held to hedge the cash flow variability of the Group's floating rate loans.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk is in respect of debt obligations and deposits with related companies and financial institutions.

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate debts with varying tenors. To manage this mix in a cost-efficient manner, the Group uses hedging instruments such as interest rate swaps and cross currency interest rate swaps to minimise its exposure to interest rate volatility.

Sensitivity Analysis for Interest Rate Risk

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit before tax		Equity	
	100 bp Increase \$'000	100 bp Decrease \$'000	100 bp Increase \$'000	100 bp Decrease \$'000
Group				
2016				
Variable rate instruments not hedged	(13,251)	13,251	-	-
Interest rate swaps/cross currency interest rate swaps	5,135	(5,135)	134,556	(134,556)
Cash flow sensitivity (net)	<u>(8,116)</u>	<u>8,116</u>	<u>134,556</u>	<u>(134,556)</u>
2015				
Variable rate instruments not hedged	(29,435)	29,435	-	-
Interest rate swaps/cross currency interest rate swaps	10,521	(10,521)	159,482	(159,482)
Cash flow sensitivity (net)	<u>(18,914)</u>	<u>18,914</u>	<u>159,482</u>	<u>(159,482)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Foreign Currency Risk

The purpose of the Group's and the Company's foreign currency hedging activities is to protect against the volatility associated with future cash flow arising from investments in and loans granted to foreign subsidiaries. The Group and the Company primarily utilise foreign currency forward contracts and cross currency swaps to hedge foreign currency denominated investments and loans to foreign subsidiaries. Under this programme, increases or decreases in the Company's foreign currency denominated investments and loans are partially offset by gains and losses on the hedging instruments. The Company does not use foreign currency forward contracts or other hedging instruments for trading purposes.

In addition to transactional exposures, the Group is also exposed to foreign exchange movements on its net investment in foreign subsidiaries. The Group uses foreign currency borrowings as a natural hedge against the activities of the foreign subsidiaries.

The Group's exposure to foreign currencies as at 30 September 2016 and 30 September 2015, after taking into account foreign currency forward contracts and cross currency swaps, was as follows:

	Singapore Dollar \$'000	Australian Dollar \$'000	Chinese Renminbi \$'000	Sterling Pound \$'000	United States Dollar \$'000
Group					
2016					
Financial Assets					
Trade and other receivables	135	216,789	56,877	320,820	36,130
Cash and cash equivalents	72,085	24,773	3	20,579	1,499
Financial Liabilities					
Trade and other payables	(20,238)	(13,930)	(54,928)	(279)	(44,070)
Loans and borrowings	(219,361)	–	(167,520)	(83,986)	(356,996)
Net statement of financial position exposure	(167,379)	227,632	(165,568)	257,134	(363,437)
Less:					
Foreign currency forward contracts/ cross currency swaps	219,000	(136,711)	115,315	(254,518)	336,658
Net currency exposure	51,621	90,921	(50,253)	2,616	(26,779)
2015					
Financial Assets					
Trade and other receivables	193	237,811	205,009	256,598	37,761
Cash and cash equivalents	–	77,897	–	1,206	45,424
Financial Liabilities					
Trade and other payables	(19,849)	–	(126,444)	–	(49,624)
Loans and borrowings	(219,531)	–	(125,454)	(102,071)	(91,711)
Net statement of financial position exposure	(239,187)	315,708	(46,889)	155,733	(58,150)
Less:					
Foreign currency forward contracts/ cross currency swaps	219,000	(238,645)	–	(148,634)	81,171
Net currency exposure	(20,187)	77,063	(46,889)	7,099	23,021

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Foreign Currency Risk (cont'd)

The Group has the following outstanding foreign currency forward contracts and cross currency swaps to hedge future receipts of distribution, net of anticipated payments in foreign currencies.

	Group	
	2016	2015
	\$'000	\$'000
Notional amounts		
S\$	142,744	742
A\$	129,494	29,954
GBP	10,478	8,813
Others	4,132	1,693
	<u>286,848</u>	<u>41,202</u>

The Company's exposure to foreign currencies as at 30 September 2016 and 30 September 2015, after taking into account foreign currency forward contracts, was as follows:

	Australian	United
	Dollar	States
	\$'000	Dollar
	\$'000	\$'000
Company		
2016		
Financial Assets		
Trade and other receivables	48,980	9,573
Cash and cash equivalents	27	162
Currency exposure	<u>49,007</u>	<u>9,735</u>
2015		
Financial Assets		
Trade and other receivables	47,042	9,411
Cash and cash equivalents	4	56
Currency exposure	<u>47,046</u>	<u>9,467</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

33. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Foreign Currency Risk (cont'd)

Sensitivity Analysis for Foreign Currency Risk

The following table demonstrates the sensitivity analysis of the Group's exposure to foreign currency risk on its financial assets and liabilities as at the end of the financial year by a reasonably possible change in the S\$, A\$, RMB, GBP and US\$ against the respective functional currencies of the Group entities, with all other variables held constant:

		Group		Company	
		Profit before Taxation \$'000	Equity \$'000	Profit before Taxation \$'000	Equity \$'000
30 September 2016					
S\$	- Strengthened 1%	516	-	-	-
	- Weakened 1%	(516)	-	-	-
A\$	- Strengthened 1%	909	-	490	-
	- Weakened 1%	(909)	-	(490)	-
RMB	- Strengthened 1%	(503)	-	-	-
	- Weakened 1%	503	-	-	-
GBP	- Strengthened 1%	26	1,127	-	-
	- Weakened 1%	(26)	(1,127)	-	-
US\$	- Strengthened 1%	(268)	-	97	-
	- Weakened 1%	268	-	(97)	-
30 September 2015					
S\$	- Strengthened 1%	(202)	-	-	-
	- Weakened 1%	202	-	-	-
A\$	- Strengthened 1%	771	-	470	-
	- Weakened 1%	(771)	-	(470)	-
RMB	- Strengthened 1%	(469)	-	-	-
	- Weakened 1%	469	-	-	-
GBP	- Strengthened 1%	71	-	-	-
	- Weakened 1%	(71)	-	-	-
US\$	- Strengthened 1%	230	-	95	-
	- Weakened 1%	(230)	-	(95)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES

(a) *Fair Value Hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used 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).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Classifications and Fair Values

The following tables show the carrying amounts and fair values of assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for short term trade and other receivables, cash and cash equivalents, trade and other payables and short-term bank borrowings as their carrying amounts are reasonable approximation of fair values.

	Note	Fair Value			Total \$'000	Carrying Amount Total \$'000
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000		
Group						
2016						
Assets and Liabilities measured at Fair Value:						
Financial Assets						
Available-for-sale financial assets:						
– Quoted investments	15	14	–	–	14	14
Derivative financial assets:						
– Cross currency interest rate swaps/ cross currency swaps	21	–	4,689	–	4,689	4,689
– Interest rate swaps	21	–	1,446	–	1,446	1,446
– Foreign currency forward contracts	21	–	5,362	–	5,362	5,362
Non-Financial Assets						
Investment properties	11	–	–	13,494,019	13,494,019	13,494,019
		<u>14</u>	<u>11,497</u>	<u>13,494,019</u>	<u>13,505,530</u>	<u>13,505,530</u>
Financial Liabilities						
Derivative financial liabilities:						
– Cross currency interest rate swaps/ cross currency swaps	21	–	19,328	–	19,328	19,328
– Interest rate swaps	21	–	107,541	–	107,541	107,541
– Foreign currency forward contracts	21	–	10,049	–	10,049	10,049
		<u>–</u>	<u>136,918</u>	<u>–</u>	<u>136,918</u>	<u>136,918</u>
Liabilities not carried at Fair Value but for which Fair Value are disclosed:						
Financial Liabilities						
Bank borrowings (non-current)	25	–	8,397,918	–	8,397,918	8,325,421

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Classifications and Fair Values (cont'd)

	Note	Fair Value			Total \$'000	Carrying Amount
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000		Total \$'000
Group						
2015						
Assets and Liabilities measured at Fair Value:						
Financial Assets						
Available-for-sale financial assets:						
– Quoted investments	15	17	–	–	17	17
Derivative financial assets:						
– Cross currency interest rate swaps/ cross currency swaps	21	–	10,594	–	10,594	10,594
– Interest rate swaps	21	–	58,178	–	58,178	58,178
– Foreign currency forward contracts	21	–	7,330	–	7,330	7,330
Non-Financial Assets						
Investment properties	11	–	–	12,951,192	12,951,192	12,951,192
		17	76,102	12,951,192	13,027,311	13,027,311
Financial Liabilities						
Derivative financial liabilities:						
– Cross currency interest rate swaps/ cross currency swaps	21	–	1,318	–	1,318	1,318
– Interest rate swaps	21	–	51,360	–	51,360	51,360
– Foreign currency forward contracts	21	–	8,516	–	8,516	8,516
		–	61,194	–	61,194	61,194
Liabilities not carried at Fair Value but for which Fair Value are disclosed:						
Financial Liabilities						
Bank borrowings (non-current)	25	–	9,248,578	–	9,248,578	9,255,320

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Classifications and Fair Values (cont'd)

	Note	Fair Value			Total \$'000	Carrying
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000		Amount Total \$'000
Company						
2016						
Assets and Liabilities measured at Fair Value:						
Financial Assets						
Derivative financial assets:						
– Cross currency interest rate swaps/ cross currency swaps	21	–	225	–	225	225
Non-Financial Asset						
Investment property	11	–	–	1,600	1,600	1,600
		–	225	1,600	1,825	1,825
Financial Liabilities						
Derivative financial liabilities:						
– Interest rate swaps	21	–	32,557	–	32,557	32,557
– Foreign currency forward contracts	21	–	190	–	190	190
		–	32,747	–	32,747	32,747
2015						
Assets and Liabilities measured at Fair Value:						
Financial Assets						
Derivative financial assets:						
– Interest rate swaps	21	–	19,463	–	19,463	19,463
– Foreign currency forward contracts	21	–	5,352	–	5,352	5,352
Non-Financial Asset						
Investment property	11	–	–	1,600	1,600	1,600
		–	24,815	1,600	26,415	26,415
Financial Liabilities						
Derivative financial liabilities:						
– Interest rate swaps	21	–	20,018	–	20,018	20,018
– Foreign currency forward contracts	21	–	7,605	–	7,605	7,605
		–	27,623	–	27,623	27,623

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) *Determination of Fair Value*

The following valuation methods and assumptions are used to estimate the fair values of the following significant classes of assets and liabilities:

(i) Derivatives

Forward currency forward contracts, cross currency interest rate swaps, cross currency swaps and interest rate swaps are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present valuation calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate and forward rate curves.

(ii) 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 using the market rate of interest at the reporting date.

(iii) Other Financial Assets and Liabilities

The fair value of quoted securities is their quoted bid price at the reporting date. 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 and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) *Determination of Fair Value (cont'd)*

(iv) Investment Properties

The Group's investment property portfolio is mostly valued by external and independent valuers at least once every two years. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The valuers have considered valuation techniques including market comparison method, capitalisation method and discounted cash flow method in arriving at the open market value as at the reporting date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation rate, terminal yield and discount rate.

IPUC are stated at fair value which has been determined based on valuations performed at reporting date. Valuations are performed by accredited independent valuers with recognised and relevant professional qualification or internal valuers with recent experience in the location and category of the properties being valued. The fair values of IPUC are determined using a combination of capitalisation approach, discounted cash flow method and residual land value method, where appropriate.

The valuations are based on open market values on the highest and best use basis.

The market comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.

The capitalisation method capitalises the estimated net income of the property for perpetuity or the balance term of the lease tenure at a capitalisation rate that is appropriate for the type of use, tenure and reflective of the quality of the investment. Capital adjustments are then made to derive the capital value of the property.

The discounted cash flow method involves the estimation and projection of net cash flows over a period and discounting the stream of net cash flow (including estimated terminal net cash flow) at an estimated required rate of return to arrive at the net present value.

In the residual land value method of valuation, the value of the property in its existing partially completed state of construction taking into account the cost of work done is arrived at by deducting estimated cost to complete and other relevant costs from the gross development value of the proposed development, assuming satisfactory completion.

In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Level 3 Fair Value Measurements

(i) Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements

The following table shows the valuation techniques used in measuring significant Level 3 fair values, as well as the significant unobservable inputs used:

Recurring Fair Value Measurements

Description	Fair Value as at 30 September 2016 \$'000	Valuation Techniques	Key Unobservable Inputs	Inter-relationship Between Key Unobservable Inputs and Fair Value Measurement
Investment Properties				
Commercial				
– Singapore	5,502,100 (2015: 5,459,600)	– Capitalisation method	– Capitalisation rate: 3.8% to 6.0% (2015: 3.8% to 6.5%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 6.5% to 8.0% (2015: 6.5% to 8.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 3.8% to 6.0% (2015: 3.9% to 6.0%)	
– Australia	779,788 (2015: 745,820)	– Capitalisation method	– Capitalisation rate: 5.6% to 7.5% (2015: 6.3% to 7.3%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 7.0% to 7.8% (2015: 7.8% to 9.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 5.9% to 7.8% (2015: 6.5% to 7.8%)	
– Others	55,202 (2015: 56,525)	– Discounted cash flow method	– Discount rate: 12.0% (2015: 12.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 10.0% (2015: 10.0%)	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Level 3 Fair Value Measurements (cont'd)

(i) Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements (cont'd)

Recurring Fair Value Measurements (cont'd)

Description	Fair Value as at 30 September 2016 \$'000	Valuation Techniques	Key Unobservable Inputs	Inter-relationship Between Key Unobservable Inputs and Fair Value Measurement
Investment Properties under Construction				
Commercial				
– Singapore	2,255,000 (2015: 2,076,642)	– Capitalisation method	– Capitalisation rate: 3.8% to 4.9% (2015: 3.8% to 4.9%)	The estimated fair value varies inversely against the capitalisation rate
		– Residual land value method	– Total gross development values: \$3,074,700,000 (2015: \$4,076,700,000)	The estimated fair value would increase with higher gross development value and decrease with higher cost to completion
			– Total estimated construction cost to completion: \$461,981,000 (2015: \$636,682,000)	
Investment Properties Hospitality				
– Singapore	759,400 (2015: 763,400)	– Capitalisation method	– Capitalisation rate: 3.8% to 5.4% (2015: 3.8% to 6.0%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 6.0% to 7.5% (2015: 6.0% to 8.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 3.8% to 5.6% (2015: 3.8% to 6.0%)	
– Australia	179,240 (2015: 175,696)	– Capitalisation method	– Capitalisation rate: 7.0% (2015: 7.0%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 8.8% (2015: 9.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 7.0% (2015: 7.0%)	
		– Market comparison method	– Transacted price of comparable properties ⁽¹⁾ : \$651 psf to \$1,422 psf (2015: \$526 psf to \$1,253 psf)	The estimated fair value varies with different adjustment factors used

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Level 3 Fair Value Measurements (cont'd)

(i) Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements (cont'd)

Recurring Fair Value Measurements (cont'd)

Description	Fair Value as at 30 September 2016 \$'000	Valuation Techniques	Key Unobservable Inputs	Inter-relationship Between Key Unobservable Inputs and Fair Value Measurement
Investment Properties (cont'd)				
Hospitality (cont'd)				
– Europe	608,666 (2015: 610,133)	– Capitalisation method	– Capitalisation rate: 5.5% to 9.1% (2015: 5.3% to 7.5%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 7.3% to 11.1% (2015: 8.3% to 10.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 5.5% to 9.1% (2015: 5.8% to 8.3%)	
		– Market comparison method	– Transacted price of comparable properties ⁽¹⁾ : \$1,742 psf to \$3,715 psf (2015: \$2,011 psf to \$4,457 psf)	The estimated fair value varies with different adjustment factors used
– China	245,232 (2015: 263,242)	– Capitalisation method	– Capitalisation rate: 2.4% (2015: 2.4%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow method	– Discount rate: 5.4% (2015: 5.4%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 2.4% (2015: 2.4%)	
– Others	92,196 (2015: 95,013)	– Discounted cash flow method	– Discount rate: 7.5% (2015: 8.5%)	The estimated fair value varies inversely against the capitalisation rate
			– Capitalisation rate: 9.2% (2015: 8.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 9.2% (2015: 8.0%)	
		– Market comparison method	– Transacted price of comparable properties ⁽¹⁾ : \$219 psf to \$238 psf (2015: \$237 psf to \$273 psf)	The estimated fair value varies with different adjustment factors used

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Level 3 Fair Value Measurements (cont'd)

(i) Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements (cont'd)

Recurring Fair Value Measurements (cont'd)

Description	Fair Value as at 30 September 2016 \$'000	Valuation Techniques	Key Unobservable Inputs	Inter-relationship Between Key Unobservable Inputs and Fair Value Measurement
Investment Properties under Construction Hospitality				
– Singapore	173,144 (2015: 155,000)	– Capitalisation approach	– Capitalisation rate: 5.0% (2015: 5.0%)	The estimated fair value varies inversely against the capitalisation rate
– Europe	49,281 (2015: 41,799)	– Capitalisation approach	– Capitalisation rate: 5.8% (2015: 6.0%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow approach	– Discount rate: 7.8% (2015: 8.0%)	The estimated fair value varies inversely against the discount rate
Investment Properties Frasers Property Australia				
	1,016,624 (2015: 2,494,441)	– Capitalisation approach	– Capitalisation rate: 6.3% to 8.0% (2015: 6.5% to 11.0%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow approach	– Discount rate: 7.5% to 9.0% (2015: 8.3% to 11.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 6.5% to 8.5% (2015: 6.5% to 10.0%)	
Investment Properties under Construction Frasers Property Australia				
	30,370 (2015: 13,881)	– Capitalisation approach	– Capitalisation rate: 6.3% to 7.0% (2015: 6.5% to 11.0%)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow approach	– Discount rate: 7.3% (2015: 8.3% to 11.0%)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 6.8% to 7.3% (2015: 7.3%)	
Investment Properties FLT				
– Australia	1,747,776 (2015: Nil)	– Capitalisation approach	– Capitalisation rate: 6.0% to 11.8% (2015: Nil)	The estimated fair value varies inversely against the capitalisation rate
		– Discounted cash flow approach	– Discount rate: 7.3% to 9.5% (2015: Nil)	The estimated fair value varies inversely against the discount rate and terminal yield rate
			– Terminal yield rate: 6.3% to 22.8% (2015: Nil)	

⁽¹⁾ Adjustments are made for any difference in the location, tenure, size and condition of the specific property.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) *Level 3 Fair Value Measurements (cont'd)*

(i) Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements (cont'd)

Key unobservable inputs correspond to:

- Capitalisation rate corresponds to a rate of return on a property based on the income that the property is expected to generate.
- Discount rate represents the required rate of return, adjusted for a risk premium that reflects the risks relevant to an asset.
- Terminal yield rate reflects an exit capitalisation rate applied to a projected terminal cash flow.

(ii) Movements in Level 3 Assets Measured at Fair Value

The movements of financial and non-financial assets and measured at fair value classified under Level 3, have been disclosed in Note 11.

(iii) Valuation Policies and Procedures

The significant non-financial asset of the Group categorised within Level 3 of the fair value hierarchy is investment properties. Generally, the fair values of investment properties are determined at least once every two years by independent professional valuers. Investment properties that are not independently valued are carried at fair value determined by directors' valuation.

Frasers Property Australia's investment properties division includes a valuation team (the "FPA Valuation Team") where each member of this team is professionally qualified and is an accredited property valuer. The FPA Valuation Team performs the underlying valuations that support the directors' valuation.

The independent professional valuers and FPA Valuation Team (the "Valuers") are experts who possess the relevant credentials and knowledge on the subject of property valuation, valuation methodologies and FRS 113 fair value measurement guidance to perform the valuation. For valuations performed by the Valuers, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) *Level 3 Fair Value Measurements (cont'd)*

(iii) Valuation Policies and Procedures (cont'd)

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, the Valuers are required to recalibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available. For valuations that are sensitive to the unobservable inputs used, the Valuers are required, to the extent practicable to use a minimum of two valuation approaches to allow for cross-checks.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

In accordance with the Group's reporting policies, the valuation process and the results of the independent valuations and directors' valuation are reviewed at least once a year by the Executive Committee of the Board and the Audit Committee before the results are presented to the Board of Directors for approval.

(e) *Fair Value of Financial Instruments by Classes that are not Carried at Fair Value and whose Carrying Amounts are not Reasonable Approximation of Fair Value*

(i) Other Receivables (Non-Current) and Other Payables (Non-Current)

No disclosure of fair value is made for non-current other receivables and other payables as it is not practicable to determine their fair values with sufficient reliability since the balances have no fixed terms of repayment. The Group and the Company do not anticipate that the carrying amounts recorded at the end of the financial year would be significantly different from the values that would eventually be received or settled.

(ii) Available-for-Sale Financial Assets – Unquoted Equity Investments, at Cost

Unquoted equity investments represent ordinary shares that are not quoted on any market and do not have any comparable industry peer that is listed. Fair value information has not been disclosed for these investments carried at cost less impairment because fair value cannot be measured reliably. The Group does not intend to dispose of these investments in the foreseeable future.

(iii) Rental Deposits Payables (Non-Current)

No disclosure of fair value is made for rental deposits payables as the Group does not anticipate that the carrying amounts recorded at the end of the financial year would be significantly different from the values that would eventually be received or settled.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

35. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Set out below is a comparison by category of carrying amounts of all the Group's and the Company's financial instruments that are carried in the financial statements.

	Loans and Receivables \$'000	Derivatives used for Hedging \$'000	Fair Value through Profit or Loss \$'000	Available- for-Sale \$'000	Liabilities at Amortised Cost \$'000
Group					
2016					
Assets					
Financial assets	-	-	-	2,162	-
Trade and other receivables [#]	895,432	-	-	-	-
Derivative financial instruments	-	319	11,178	-	-
Bank deposits and cash and cash equivalents	2,168,680	-	-	-	-
	<u>3,064,112</u>	<u>319</u>	<u>11,178</u>	<u>2,162</u>	<u>-</u>
Liabilities					
Trade and other payables*	-	-	-	-	1,496,456
Derivative financial instruments	-	106,940	29,978	-	-
Loans and borrowings	-	-	-	-	9,795,537
	<u>-</u>	<u>106,940</u>	<u>29,978</u>	<u>-</u>	<u>11,291,993</u>
2015					
Assets					
Financial assets	-	-	-	2,165	-
Trade and other receivables [#]	1,071,423	-	-	-	-
Derivative financial instruments	-	56,757	19,345	-	-
Bank deposits and cash and cash equivalents	1,373,140	-	-	-	-
	<u>2,444,563</u>	<u>56,757</u>	<u>19,345</u>	<u>2,165</u>	<u>-</u>
Liabilities					
Trade and other payables*	-	-	-	-	1,289,637
Derivative financial instruments	-	19,574	41,620	-	-
Loans and borrowings	-	-	-	-	10,275,457
	<u>-</u>	<u>19,574</u>	<u>41,620</u>	<u>-</u>	<u>11,565,094</u>

[#] Exclude tax recoverable.

* Exclude progress billings received in advance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

35. CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	Loans and Receivables \$'000	Derivatives used for Hedging \$'000	Fair Value through Profit or Loss \$'000	Available- for-Sale \$'000	Liabilities at Amortised Cost \$'000
Company					
2016					
Assets					
Financial assets	-	-	-	2,148	-
Trade and other receivables	3,342,874	-	-	-	-
Cash and cash equivalents	67,516	-	-	-	-
Derivative financial instruments	-	225	-	-	-
	3,410,390	225	-	2,148	-
Liabilities					
Trade and other payables	-	-	-	-	197,305
Derivative financial instruments	-	32,557	190	-	-
	-	32,557	190	-	197,305
2015					
Assets					
Financial assets	-	-	-	2,148	-
Trade and other receivables	3,015,187	-	-	-	-
Cash and cash equivalents	9,064	-	-	-	-
Derivative financial instruments	-	19,463	5,352	-	-
	3,024,251	19,463	5,352	2,148	-
Liabilities					
Trade and other payables	-	-	-	-	236,942
Derivative financial instruments	-	20,018	7,605	-	-
	-	20,018	7,605	-	236,942

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

36. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended 30 September 2016 and 30 September 2015.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity, as follows:

	Group	
	2016	2015
	\$'000	\$'000
Bank deposits	437,337	–
Cash and cash equivalents	1,731,343	1,373,140
Loans and borrowings	(9,795,537)	(10,275,457)
Net borrowings	<u>(7,626,857)</u>	<u>(8,902,317)</u>
Total equity	<u>11,843,484</u>	<u>10,650,953</u>
Net borrowings over total equity ratio	<u>0.64</u>	<u>0.84</u>

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of some of their external borrowings, and these have been complied with during the year.

37. COMMITMENTS

(a) Capital Commitments

Capital and development expenditures contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2016	2015
	\$'000	\$'000
Commitments in respect of contracts placed for:		
– estimated development costs for properties held for sale	829,155	1,530,907
– capital expenditure costs for investment properties	513,963	559,019
– share of joint ventures' and associates' capital and development expenditure	98,010	261,717
– others	148,386	242,787
	<u>1,589,514</u>	<u>2,594,430</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

37. COMMITMENTS (CONT'D)

(b) Operating Lease Commitments – as Lessee

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period is as follows:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Within 1 year	37,124	27,976	-	-
From 1 year to 5 years	133,156	92,010	-	-
After 5 years	637,852	626,463	-	-
	808,132	746,449	-	-

The operating leases do not contain any escalation clauses and do not provide for contingent rents. The lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

Rental expense recognised in the profit statement is as follows:

	Group	
	2016 \$'000	2015 \$'000
Minimum lease payments	39,871	15,606

(c) Operating Lease Commitments – as Lessor

The Group has entered into commercial property leases on its investment properties and properties held for sale. These non-cancellable leases have remaining non-cancellable lease terms of between 2 to 8 years. Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period is as follows:

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Within 1 year	498,276	519,080	-	-
From 1 year to 5 years	1,052,686	1,086,566	-	-
After 5 years	601,638	448,197	-	-
	2,152,600	2,053,843	-	-

Rental income from investment properties is disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

38. CONTINGENCIES

Guarantee Contracts

- (i) As at 30 September 2016, the Company has provided bankers' guarantees of \$4,183,000 (2015: \$45,840,000) to unrelated parties in respect of performance contracts on behalf of certain subsidiaries. No liability is expected to arise.
- (ii) As at 30 September 2016, the Company has provided unconditional and irrevocable corporate guarantees for up to \$6,948,493,000 (2015: \$7,206,022,000) for loans and borrowings and perpetual securities issued by certain subsidiaries.
- (iii) The Company has provided an unconditional and irrevocable corporate guarantee for up to \$26,179,000 to finance the payment of development charge and construction cost of the New Wing of The Centrepoint by The Management Corporation Strata Title Plan No. 1298 ("MCST 1298"). The corporate guarantee will only be discharged upon full repayment of the loan by MCST 1298. As at 30 September 2016, the outstanding loan by MCST 1298 is \$25,179,000 (2015: \$25,679,000).
- (iv) A wholly-owned subsidiary of the Group has provided RMB 202,977,000 (2015: RMB 297,800,000) corporate guarantees to banks in China in connection with loans provided by the banks to the subsidiary's property buyers, covering the period from loan contract date to the property delivery date.

39. SUBSEQUENT EVENTS

- (i) On 10 October 2016, the Group, through FPHT, entered into a conditional share subscription agreement with TICON Industrial Connection Public Company Limited ("TICON") for the subscription of up to 735,000,000 newly issued ordinary shares in TICON, each of Baht 1.00 par value (the "New Shares"), at the subscription price of Baht 18.00 per New Share (the "Transaction"). The total consideration payable for all 735,000,000 New Shares is Baht 13.23 billion (approximately S\$520 million). Following the Transaction, the Group will hold up to approximately 40% of TICON's enlarged total issued shares.
- (ii) On 14 October 2016, the Group, through its subsidiary, FHT, issued 441,549,281 new Rights Stapled Securities at an issue price of \$0.603 on the basis of 32 Rights Stapled Securities for every 100 existing stapled securities in FHT. The Group, through its wholly-owned subsidiaries, FCLI, FHAM and FHPL, fully subscribed for their respective allotted Rights Stapled Securities of 95,432,377 in aggregate (the "Rights Subscription"). Following the Rights Subscription, the Group holds approximately 21.6% in FHT.
- (iii) On 4 November 2016, FCT entered into sale and purchase agreements for the acquisition of strata lots comprised in the retail podium of Yishun 10 Cinema Complex for a total consideration of \$37.75 million (the "Acquisition"). The Acquisition was completed on 16 November 2016.
- (iv) As announced on 21 November 2016, the Group, through FPHT, purchased in the open-market on the Stock Exchange of Thailand, an additional 99,941,933 shares in Gold. The total aggregate consideration is Baht 614.6 million (approximately S\$24.7 million). Pursuant to this acquisition, FPHT's interest in Gold increased from approximately 35.6% to approximately 39.9%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES

	Principal Activities	Effective Shareholding	
		2016	2015
<u>Subsidiaries of the Company</u>			
<u>Country of Incorporation and Place of Business: Singapore</u>			
(a) FCL (China) Pte. Ltd.	Investment holding	100%	100%
(a) FCL (Fraser) Pte. Ltd.	Investment holding	100%	100%
(a) FCL Amber Pte. Ltd.	Investment holding	100%	100%
(a) FCL Aquamarine Pte. Ltd.	Investment holding	100%	100%
(a) FCL Assets Pte. Ltd.	Investment holding	100%	100%
(a) FCL Centrepont Pte. Ltd.	Investment holding	100%	100%
(a) FCL China Development Pte. Ltd.	Investment holding	100%	100%
(a) FCL Emerald (1) Pte. Ltd.	Investment holding	100%	100%
(a) FCL Emerald (2) Pte. Ltd.	Investment holding	100%	100%
(a) FCL Investments Pte. Ltd.	Investment holding	100%	100%
(a) FCL Tampines Court Pte. Ltd.	Investment holding	100%	100%
(a) FCL Topaz Pte. Ltd.	Investment holding	100%	100%
(a) FCL Trust Holdings (Commercial) Pte. Ltd.	Investment holding	100%	100%
(a) FCL Trust Holdings Pte. Ltd.	Investment holding	100%	100%
(a) Fraser Suites Jakarta Pte. Ltd.	Investment holding	100%	100%
(a) Frasers (Australia) Pte. Ltd.	Investment holding	100%	75%
(a) Frasers (NZ) Pte. Ltd.	Investment holding	75%	75%
(a) Frasers (Thailand) Pte. Ltd.	Investment holding	100%	100%
(a) Frasers (UK) Pte. Ltd.	Investment holding	75%	75%
(a) Frasers Amethyst Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Centrepont Asset Management (Malaysia) Pte. Ltd.	Investment holding	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES (CONT'D)

	Principal Activities	Effective Shareholding	
		2016	2015
Subsidiaries of the Company (cont'd)			
Country of Incorporation and Place of Business: Singapore (cont'd)			
(a) Frasers Hospitality Asset Management Pte. Ltd.	Management services	100%	100%
(a) Frasers Hospitality Changi Investments Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Dalian Holding Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Holdings Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Investment Holding (Philippines) Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Investments China Square Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Investments Melbourne Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality ML Pte. Ltd.	Investment holding	100%	100%
(a) Frasers Hospitality Pte. Ltd.	Investment holding and management services	100%	100%
(a) Frasers Land Pte. Ltd.	Investment holding	100%	100%
(a) MLP Co Pte. Ltd.	Investment holding	100%	100%
(a) Opal Star Pte. Ltd.	Investment holding	100%	100%
(a) River Valley Properties Pte. Ltd.	Investment holding and property development	100%	100%
(a) FCL Alexandra Point Pte. Ltd.	Property investment	100%	100%
(a) FCL Crystal Pte. Ltd.	Property investment	100%	100%
(a) FCL Enterprises Pte. Ltd.	Property investment	100%	100%
(a) FCL Property Investments Pte. Ltd.	Property investment	100%	100%
(a) Riverside Property Pte. Ltd.	Property investment	100%	100%
(a) FCL Management Services Pte. Ltd.	Management services	100%	100%
(a) Frasers Centrepont Asset Management (Commercial) Ltd.	Management services	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES (CONT'D)

	Principal Activities	Effective Shareholding	
		2016	2015
Subsidiaries of the Company (cont'd)			
<u>Country of Incorporation and Place of Business: Singapore</u> (cont'd)			
(a) Frasers Centrepoint Asset Management Ltd.	Management services	100%	100%
(a) Frasers Centrepoint Property Management Services Pte. Ltd.	Management services	100%	100%
(a) Frasers Hospitality Group Pte. Ltd.	Management services	100%	100%
(a) Frasers Hospitality Trust Management Pte. Ltd.	Trustee-manager	100%	100%
(a) Frasers Logistics & Industrial Asset Management Pte. Ltd. (formerly FCL Gold Pte. Ltd.)	Management services	100%	100%
(a) FCL Investments (Industrial) Pte. Ltd. (formerly East Harmony Pte. Ltd.)	Investment holding	100%	100%
(a) FCL Treasury Pte. Ltd.	Treasury services	100%	100%
<u>Country of Incorporation and Place of Business: Hong Kong</u>			
(a) Excellent Esteem Limited	Investment holding	100%	100%
Subsidiaries of the Group			
<u>Country of Incorporation and Place of Business: Singapore</u>			
(a) Frasers Property (Europe) Holdings Pte. Ltd.	Investment holding	80%	80%
(a) Singapore Logistics Investments Pte. Ltd.	Investment holding	80%	80%
(a) River Valley Apartments Pte. Ltd.	Property investment	100%	100%
(a) River Valley Tower Pte. Ltd.	Property investment	100%	100%
(a) Aquamarine Star Trust	Property investment and development	100%	100%
(a) North Gem Trust	Property investment and development	100%	100%
(a) FCL Admiralty Pte. Ltd.	Property development	70%	70%
(a) North Gem Development Pte. Ltd.	Property development	100%	100%
(a) Sembawang Residences Pte. Ltd.	Property development	80%	80%
(a) FCOT Treasury Pte. Ltd.	Treasury services	27.15%	27.21%
(a) FH-REIT Treasury Pte. Ltd.	Treasury services	21.61%	20.32%
(a) Frasers Hospitality Changi Trust	Property investment	100%	100%

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FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES (CONT'D)

	Principal Activities	Effective Shareholding	
		2016	2015
Subsidiaries of the Group (cont'd)			
<u>Country of Incorporation and Place of Business: Singapore</u> (cont'd)			
(a) Frasers Commercial Trust	Real estate investment trust	27.15%	27.21%
(a) Frasers Centrepoint Trust	Real estate investment trust	41.49%	41.32%
(a) Frasers Hospitality China Square Trust	Property investment	100%	100%
(a) Frasers Hospitality Trust	Stapled trust	21.61%	20.32%
(a) Frasers Logistics & Industrial Trust	Real estate investment trust	20.50%	–
<u>Country of Incorporation and Place of Business: Australia</u>			
(a) Australand Industrial No. 129 Pty Limited	Investment holding	100%	100%
(a) Australand Northshore Pty Limited	Investment holding	100%	100%
(a) Australand Residential No. 164 Pty Limited	Investment holding	100%	100%
(a) Frasers (FPA) Pty Limited (formerly Frasers Property Australia Pty Ltd)	Investment holding	100%	75%
(a) Frasers Central Park Holdings No. 1 Pty Ltd	Investment holding	100%	75%
(a) Frasers Property Australia Pty Limited	Investment holding	100%	100%
(a) Frasers Property Limited	Investment holding	100%	100%
(a) Frasers Queens Pty Ltd	Investment holding and property development	100%	87.5%
(a) Frasers Town Hall Pty Ltd	Investment holding and property development	100%	87.5%
(a) Frasers Perth Pty Ltd	Property investment	100%	87.5%
(a) Australand Carlton Pty Limited	Property development	100%	100%
(a) Australand Industrial No. 72 Pty Limited	Property development	100%	100%
(a) Australand Industrial No. 111 Pty Limited	Property development	100%	100%
(a) Australand Industrial No. 139 Pty Limited	Property development	100%	100%
(a) Australand Land and Housing No. 5 (Hope Island) Pty Limited	Property development	100%	100%

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FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES (CONT'D)

	Principal Activities	Effective Shareholding	
		2016	2015
Subsidiaries of the Group (cont'd)			
<u>Country of Incorporation and Place of Business: Australia</u> (cont'd)			
(a) Australand Residential No. 143 Pty Limited	Property development	100%	100%
(a) Australand Residential No. 166 Pty Limited	Property development	100%	100%
(a) Australand Valley Park Pty Limited	Property development	100%	100%
(a) Bayslore Pty Limited	Property development	100%	100%
(a) Frasers Broadway Pty Ltd	Property development	100%	75%
(a) Frasers Central Park Equity No. 2 Pty Ltd	Property development	100%	75%
(a) PDI (Qld) Pty Limited	Property development	100%	100%
(a) Port Catherine Developments Pty Ltd	Property development	100%	100%
(a) Australand Property Limited	Management services	100%	100%
(a) Frasers Property (APG) Pty Limited	Management services	100%	100%
(a) Frasers AHL Pty Ltd	Investment holding and trustee-manager	100%	100%
(a) Ananke Holdings Pty Limited	Hotel operator	100%	100%
<u>Country of Incorporation and Place of Business: United Kingdom</u>			
(a) Frasers Hospitality SPC 1 Limited	Investment holding	100%	100%
(a) Frasers Hospitality UK Holdings Limited	Investment holding	100%	100%
(a) Frasers Property (UK) Limited	Investment holding	80%	80%
(a) Malmaison and Hotel du Vin Property Holdings Limited	Investment holding	100%	100%
(a) Malmaison and Hotel du Vin Holdings Limited	Investment holding	100%	100%
(a) Malmaison Hotels Limited	Investment holding	100%	100%
(a) Malmaison Resources Limited	Investment holding	100%	100%
(c) Frasers Residential Investment Partnership LP	Property investment	100%	100%
(a) Malmaison Trading Limited	Property investment	100%	100%
(a) Frasers (Riverside Quarter) Ltd	Property development	80%	80%

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FOR THE YEAR ENDED 30 SEPTEMBER 2016

40. SIGNIFICANT SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES (CONT'D)

	Principal Activities	Effective Shareholding	
		2016	2015
Subsidiaries of the Group (cont'd)			
<u>Country of Incorporation and Place of Business: United Kingdom</u> (cont'd)			
(a) Frasers Projects Ltd	Property development	80%	80%
(a) Hotel du Vin Trading Limited	Hotel Trading Company	100%	100%
<u>Country of Incorporation and Place of Business: China</u>			
(1) (a) Beijing Fraser Suites Real Estate Management Co., Ltd.	Property investment	100%	100%
(1) (a) Chengdu Sino Singapore Southwest Logistics Co., Ltd	Property investment	80%	80%
(1) (a) Singlong Property Development (Suzhou) Co., Ltd	Property development	100%	100%
<u>Country of Incorporation and Place of Business: Hong Kong</u>			
(a) Ace Goal Limited	Investment holding	100%	100%
(a) Superway Logistics Investments (Hong Kong) Limited	Investment holding	80%	80%
Associates of the Group			
<u>Country of Incorporation and Place of Business: British Virgin Islands</u>			
(b) Supreme Asia Investments Limited	Investment holding	43.3%	43.3%
<u>Country of Incorporation and Place of Business: China</u>			
(1) (c) Shanghai Zhong Jun Property Real Estate Development Co., Ltd	Property development	45.2%	45.2%
<u>Country of Incorporation and Place of Business: Thailand</u>			
(1) (a) Golden Land Property Development Public Company Limited	Investment holding	35.6%	–

Joint Arrangements of the Group

The joint ventures and joint operations are individually immaterial to the group.

- (a) Audited by KPMG in the respective countries.
- (b) Not required to be audited under laws of the country of incorporation.
- (c) Audited by other firms.
- Note (1) Accounting year end is 31 December.

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