

The information in this Preliminary Pricing Supplement is for information purposes only and is subject to completion and amendment. The terms of the transaction described herein will be described in the final form of the Pricing Supplement. Investors should not subscribe for any securities referred to herein except on the basis of information continued in the final form of the Pricing Supplement and the Information Memorandum (as defined herein). This Preliminary Pricing Supplement shall not, and is not intended to, constitute or contain an offer or invitation to sell, nor is it so soliciting offers to buy, the securities described herein in any jurisdiction where such offer or sale is not permitted.

PRELIMINARY PRICING SUPPLEMENT DATED 24 AUGUST 2022
Subject to completion and amendment

PRICING SUPPLEMENT

THIS PRICING SUPPLEMENT WILL BE ISSUED IN RESPECT OF NOTES WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER UNITED KINGDOM REGULATED MARKET OR EUROPEAN ECONOMIC AREA REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE UNITED KINGDOM FOR THE PURPOSES OF THE UK PROSPECTUS REGULATION OR IN THE EUROPEAN ECONOMIC AREA FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION. THE PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE UK PROSPECTUS REGULATION.

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

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

Notification under Section 309B(1) of the Securities and Futures Act 2001 of Singapore (the "SFA") – The Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the "MAS") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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 1947 (2020 Revised Edition) 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.



Australia and New Zealand Banking Group Limited
(Australian Business Number 11 005 357 522)
(Incorporated with limited liability in Australia and registered in the State of Victoria)
Legal Entity Identifier: JHE42UYNWWTJB8YTTU19

US\$60,000,000,000
Euro Medium Term Note Programme

Series No: ●

Tranche No: 1

SGD ●● per cent. Subordinated Notes due [2 December 2032] (the "Notes")

Issue Price: [100] per cent.

[Australia and New Zealand Banking Group Limited]
[DBS Bank Ltd.]
[Oversea-Chinese Banking Corporation Limited]
[Standard Chartered Bank]
[United Overseas Bank Limited]
(the "Joint Lead Managers")

The date of this Pricing Supplement is ● 2022

PART A – CONTRACTUAL TERMS

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 Conditions set forth in the Information Memorandum dated 16 November 2021 and the supplement to the Base Prospectus of the Issuer dated 2 December 2021, 8 February 2022, 5 May 2022 and 21 July 2022 and the information in Annexes A and B, which are each deemed to be incorporated by reference into the Information Memorandum (together, the "**Information Memorandum**"). This Pricing Supplement of the Notes must be read in conjunction with the Information Memorandum.

1	Issuer:	Australia and New Zealand Banking Group Limited
2	(i) Series Number:	●
	(ii) Tranche Number:	1
3	(i) Specified Currency or Currencies:	Singapore dollars (" SGD ")
	(ii) Exotic Currency Payments:	Not Applicable
	(iii) Exotic Currency Relevant Time:	Not Applicable
	(iv) Exotic Currency Thomson Reuters Screen Page:	Not Applicable
4	Aggregate Principal Amount:	SGD ●
	(i) Series:	SGD ●
	(ii) Tranche:	SGD ●
5	Issue Price:	[100] per cent. of the Aggregate Principal Amount
6	(i) Specified Denomination(s) (and Principal Amount):	SGD 250,000 as it may be adjusted in accordance with Condition 5A.4 <i>The minimum aggregate consideration payable in respect of an offer or invitation in Australia or any offer or invitation received in Australia must be no less than A\$500,000 (or its equivalent in an alternate currency, in each case, disregarding moneys lent by the offeror or its associates) unless the offer or invitation does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act. In every case, an offer or invitation must not be to a retail client (as defined in section 761G of the Corporations Act).</i>
	(ii) Calculation Amount:	SGD 250,000 as it may be adjusted in accordance with Condition 5A.4
7	(i) Issue Date:	[2 September 2022]
	(ii) Interest Commencement Date:	Issue Date

8	Maturity Date:	[2 December 2032]
9	Interest Basis:	Fixed Rate (Further particulars specified below)
10	Redemption/Payment Basis:	Redemption at Par
11	Change of Interest or Redemption/Payment Basis:	Change of Interest Basis as specified in item 15(i) below
12	Put/Call Options:	Call Option (Further particulars specified below)
13	Status of the Notes:	Subordinated Notes
14	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rates of Interest:	<p>• per cent. per annum payable semi-annually in arrear in respect of the period from (and including) the Issue Date up to (but excluding) the Optional Redemption Date.</p> <p>If the Notes are not redeemed, purchased and cancelled, Written-Off or Converted on or before the Optional Redemption Date, the Rate of Interest payable semi-annually in arrear in respect of the period from (and including) the Optional Redemption Date to (but excluding) the Maturity Date shall be reset to a fixed rate which is equal to the sum of the prevailing 5-Year SORA OIS Reset Rate on the day which is two Singapore Business Days prior to the Optional Redemption Date (the "Reset Determination Date") plus the Spread.</p> <p>Where:</p> <p>"5-Year SORA OIS Reset Rate" means, subject to Condition 4(o) (<i>Benchmark Replacement</i>) as modified by this Pricing Supplement, the 5-year offer rate at 4:00pm (Singapore time) quoted on the Relevant Screen Page. If such a rate does not appear on the Relevant Screen Page at 4:00pm (Singapore time) on the Reset Determination Date, the rate shall instead be determined by the Calculation Agent on the following basis:</p> <p>(i) the Calculation Agent shall request the principal office of each of four major banks in the Singaporean SORA OIS market to provide the Calculation Agent with the rate at which swaps in SGD SORA OIS are offered by it, as at approximately 4:00pm (Singapore time) on the Reset Determination Date and having a five-year maturity (each, a "5-Year SORA OIS Reset Quotation"); and</p> <p>(ii) if at least three 5-Year SORA OIS Reset Quotations are provided, the 5-Year SORA OIS Reset Rate will be the arithmetic mean of such 5-Year SORA OIS Reset Quotations, eliminating the highest 5-Year SORA OIS Reset Quotation (or, in the event of equality, one of the highest) and the lowest 5-Year SORA OIS Reset</p>

Quotation (or, in the event of equality, one of the lowest), expressed as a percentage and rounded, if necessary to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards); and

- (iii) if fewer than three 5-Year SORA OIS Reset Quotations are provided, the 5-Year SORA OIS Reset Rate will be the 5-year offer rate that appeared on the most recent Relevant Screen Page that was last available prior to 4:00pm (Singapore time) on the Reset Determination Date as determined by the Calculation Agent.

"5.25 Year SORA OIS Rate" means the rate which is calculated as a straight line interpolation (rounded to 3 decimal places) of:

- (i) the rate in per cent. per annum appearing on the Relevant Screen Page under the "BGN" panel and the column headed "Ask" for a maturity of 5 years; and
- (ii) the rate in per cent. per annum appearing on the Relevant Screen Page under the "BGN" panel and the column headed "Ask" for a maturity of 7 years.

"Relevant Screen Page" means the Bloomberg page "OTC SGD OIS" under the "BGN" panel (or such other page as may replace such page on Bloomberg Professional® service, or such other page as may be determined by the Calculation Agent for purposes of displaying comparable rates).

"Singapore Business Day" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in Singapore.

"Spread" means ● per cent. per annum, being the difference between [● per cent.] (being the yield on a semi-annual basis on the Trade Date) and the interpolated 5.25-year SORA OIS rate of ● per cent. at the time of pricing on the Trade Date.

"Trade Date" means [● August 2022].

Condition 4(o) (*Benchmark Replacement*) shall apply to the Notes, with the following amendments:

(a) the words "Notwithstanding the provisions above in Conditions 4(b), (d), (e), (f) and (g)" shall be deleted and replaced with "Notwithstanding the provisions above"; and

(b) the **5-year SORA OIS Reset Rate** is the "Reference Rate"

- (ii) (a) Interest Payment Date(s): [2 June and 2 December] in each year [commencing on [2 December 2022 (short first coupon)]], in each case subject to adjustment for payment purposes only in accordance with the Business Day Convention specified below
- (b) Interest Period(s): As defined in Condition 4(r)

	(c) Interest Period Date:	As defined in Condition 4(r)
	(iii) Fixed Coupon Amount(s):	Not Applicable
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/365 (Fixed)
	(vi) Business Day Convention:	Modified Following Business Day Convention
	(a) Adjusted:	Not Applicable
	(b) No Adjustment:	Applicable
	(vii) Additional Business Centre(s):	New York For the avoidance of doubt, in addition to the Additional Business Centre noted above, London, Singapore, and Sydney are business centres for the purposes of the definition of "Business Day" in Condition 4(r)
	(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):	The Fiscal Agent shall be the Calculation Agent
	(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Note Provisions	Not Applicable
17	CMS Rate Note Provisions (for Unsubordinated Notes only):	Not Applicable
18	Inverse Floating Rate Note Provisions (for Unsubordinated Notes only):	Not Applicable
19.	Range Accrual Note Provisions (for Unsubordinated Notes only):	Not Applicable
20	Zero Coupon Note Provisions (for Unsubordinated Notes only):	Not Applicable
21	Index-Linked Interest Note/Other variable-linked interest Note Provisions (for Unsubordinated Notes only):	Not Applicable
22	Dual Currency Note Provisions (for Unsubordinated Notes only):	Not Applicable

PROVISIONS RELATING TO REDEMPTION

23	Call Option	Applicable Any early redemption will be subject to the prior written approval of the Australian Prudential Regulation Authority
	(i) Option Exercise Date(s) (if other than as set out in the Conditions):	Not Applicable
	(ii) Optional Redemption Date(s):	[2 December 2027] <i>The Optional Redemption Date must not be earlier than 5 years from the Issue Date.</i>
	(iii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	SGD 250,000 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4
	(iv) If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable
24	Put Option	Not Applicable
25	Final Redemption Amount of each Note	SGD 250,000 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4
26	Early Redemption Amount: <i>(Early Redemption Amount(s) payable on redemption on account of a Regulatory Event, for taxation reasons, on an Event of Default or other early redemption and/or the method of calculating the same)</i>	SGD 250,000 per Calculation Amount, as it may be adjusted in accordance with Condition 5A.4 Any early redemption will be subject to the prior written approval of the Australian Prudential Regulation Authority
27	Redemption for Regulatory Event <i>(for Subordinated Notes issued by ANZBGL only)</i> :	Applicable
28	Redemption for taxation reasons:	
	Condition 5(b)(i):	Applicable (Note that Condition 5(b)(i) applies automatically)
	Condition 5(b)(ii) <i>(for Subordinated Notes issued by ANZBGL only)</i> :	Applicable

Condition 5(b)(iii) (*for Subordinated Notes issued by ANZBGL only*) Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29	Form of the Notes:	Registered Notes Registered Global Note exchangeable for Certificates in definitive form in the limited circumstances specified in the Registered Global Note.
30	Payment Business Day Convention:	Modified Following
31	Additional Financial Centre(s) or other special provisions relating to Payment Business Days:	New York For the avoidance of doubt, in addition to the Additional Financial Centre(s) noted above, London, Singapore and Sydney are financial centres for the purposes of the definition of "Payment Business Day" in Condition 6(h)
32	Talons for future Coupons or Receipts to be attached to Notes in definitive form (and dates on which such Talons mature):	No
33	Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s):	Not Applicable
34	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
35	Consolidation provisions:	Not Applicable
36	Governing Law:	English law, except in relation to subordination, Conversion and Write-Off provisions of the Notes which will be governed by, and construed in accordance with, the laws of the State of Victoria and the Commonwealth of Australia

OTHER FINAL TERMS

37	Subordinated Notes:	Applicable
	(i) Conversion:	Applicable CD: 1.00 per cent. VWAP Period: Five Business Days
	(ii) Alternative Conversion Number:	Not Applicable

- | | | |
|-------------------------|--|--|
| (iii) | Write-Off (see Condition 5B.1 and 5C.1): | Not Applicable

(Where "Not Applicable" is specified at this item 36(iii), this is without prejudice to the application of Condition 5B.5 where "Applicable" is specified at item 36(i)) |
| 38 | Other final terms: | Not Applicable |
|
DISTRIBUTION | | |
| 39 | (i) If syndicated, names of Managers: | [Australia and New Zealand Banking Group Limited]
[DBS Bank Ltd.]
[Oversea-Chinese Banking Corporation Limited]
[Standard Chartered Bank]
[United Overseas Bank Limited] |
| | (ii) Stabilising Manager (if any): | Not Applicable |
| 40 | If non-syndicated, name [and address] of Dealer: | Not Applicable |
| 41 | Additional selling restrictions: | Not Applicable |
| 42 | US Selling Restrictions: | TEFRA Not Applicable; Reg S. Category 2 |

Signed on behalf of Australia and New Zealand Banking Group Limited:

By:
Duly Authorised Attorney

PART B – OTHER INFORMATION

1 LISTING

Application is expected to be made by the Issuer for the Notes to be listed as a debt security on the Australian Securities Exchange on or about the Issue Date

The Notes will not be transferred through, or registered on, the Clearing House Electronic Sub-Register System (CHES) operated by ASX Settlement Pty Ltd (ABN 49 008 504 532) and will not be "Approved Financial Products" for the purposes of that system. Interests in the Notes will be instead held in, and transferrable through, Euroclear Bank SA/NV or Clearstream Banking S.A.

No transfers will be made to retail clients (as defined in section 761G of the Corporations Act 2001 of Australia) and no bids or offers may be made on an Australian Securities Exchange trading platform with a value less than A\$500,000 (or its equivalent in an alternate currency)

2 RATINGS

Ratings:

The Notes to be issued are expected to be rated:

S&P Global Australia Pty Ltd: BBB+

Moody's Investors Service Pty Limited: Baa1

Fitch Australia Pty Ltd: A-

A rating is not a recommendation by any rating organisation to buy, sell or hold Notes and may be subject to revision or withdrawal at any time by the assigning rating organisation.

3 OPERATIONAL INFORMATION

ISIN Code:

•

Common Code:

•

FISN:

As set out on the website of the Association of National Numbering Agencies ("ANNA") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

CFI code:

As set out on the website of ANNA or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):

Not Applicable

Delivery:

Delivery against payment

Names and addresses of additional Paying Agent(s) or other Agent(s) (if any):

Not Applicable

Names and addresses of additional
Paying Agent(s) (if any) or, in the
case of VPS Notes, the VPS Agent
and the VPS Trustee: Not Applicable

ANNEX A – ADDITIONAL DISCLOSURE

This Annex A is deemed to be incorporated by reference in, and form part of, the Information Memorandum.

On 4 May 2022, the Issuer announced it intends to lodge a formal application with APRA, the Federal Treasurer and other applicable regulators to establish a non-operating holding company ("**Approved NOHC**") and create distinct banking and non-banking groups within the organisation. Should the proposed restructure proceed, a new listed parent holding company will be created with two wholly-owned distinct groups of entities sitting directly beneath it, a 'Banking Group' which would comprise the Issuer and the majority of present-day subsidiaries, and a 'Non-Banking Group' which would allow banking-adjacent businesses to be developed or acquired.

APRA has advised after preliminary discussions that it has no in-principle objections to the proposed restructure. To date, the Issuer has not received any objections to the proposed restructure from other key Australian and New Zealand regulators.

The proposal is subject to final approval by the Board of the Issuer and regulatory approvals, and will require approval by the Federal Court and the Issuer's shareholders.

Should the proposed restructure proceed, the Issuer may (with the prior written approval of APRA) amend the terms of the issued Subordinated Notes in accordance with Condition 5D.2 to substitute the Approved NOHC as the provider of ordinary shares upon Conversion of the Subordinated Notes.

Such amendments may be made without the approval of Subordinated Noteholders.

Subordinated Noteholders will receive a notice specifying the amendments to the terms of the Subordinated Notes as soon as practicable after the proposed restructure takes place.

ANNEX B – SINGAPORE TAXATION

This Annex B is deemed to be incorporated by reference in, and form part of, the Information Memorandum.

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

Interest and Other Payments

Generally, interest and other payments derived by a holder of the Notes who is not resident in Singapore and who does not have any permanent establishment in Singapore is not subject to tax, as such income is likely to be regarded as arising from a source outside Singapore, given that the Issuer is issuing the Notes outside Singapore and not through a branch or otherwise in Singapore. However, even if such interest and payments are regarded as sourced in Singapore, such interest and other payments may also be exempt from tax, including withholding of tax, if the Notes qualify as "qualifying debt securities" as discussed below.

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act 1947 (2020 Revised Edition) of Singapore ("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 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent., and is proposed to be increased to 24 per cent. from the year of assessment 2024 pursuant to the Singapore Budget Statement 2022. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

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

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

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

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, if more than half of the Notes are distributed by any or any combination of financial institutions in Singapore with the Financial Sector Incentive (Bond Market), Financial Sector Incentive (Standard Tier) or Financial Sector Incentive (Capital Market) tax incentives (as defined in the ITA), the Notes would be "qualifying debt securities" for the purposes of the ITA, to which the following treatments shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the 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 the Notes using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the **"Specified Income"**) from the Notes paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax;
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require), Specified Income from the Notes derived by any company or body of persons (as defined in the ITA) in Singapore, other than any non-resident who qualifies for the tax exemption as described in paragraph (i) above, is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (iii) subject to:
 - (aa) the Issuer including in all offering documents relating to the 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 the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

- (bb) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities in respect of the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require,

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

However, notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of the Notes, the Notes are issued to fewer than four (4) persons and 50 per cent. or more of the issue of such Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Notes would not qualify as "qualifying debt securities"; and
- (B) even where the Notes are "qualifying debt securities", if, at any time during the tenure of such Notes, 50 per cent. or more of the issue of such Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from such Notes held by:
 - (i) any related party of the Issuer; or
 - (ii) any other person where the funds used by such person to acquire such 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 (A), means any other person who, directly or indirectly, controls A, or is controlled, directly or indirectly, by A, or where A 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 (i.e. the Specified Income) is derived from 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 under the ITA (as mentioned above) 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.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the 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 Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital Gains

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

Holders of the Notes who apply or who are required to apply Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement ("**FRS 39**"), Singapore Financial Reporting Standard 109 – Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, for tax purposes in accordance with the provisions of FRS 39, FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of the Notes is made. Please see the section below on "*Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes*".

Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with

FRS 39 for financial reporting purposes. The IRAS has also issued an e-tax guide entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement".

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

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

Estate Duty

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

Risks relating to Singapore Taxation

The Notes are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described above. However, should the relevant tax laws be amended or revoked at any time, there is a risk that the Notes will no longer benefit from the tax concessions in connection therewith which could have an adverse impact on the tax position of Noteholders.