

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

PROHIBITION OF SALES TO EEA RETAIL INVESTORS—The Notes are not intended to be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any EEA Retail Investor in the European Economic Area (the “**EEA**”). For these purposes, an “**EEA 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; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**EU Prospectus Regulation**”). 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 EEA Retail Investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any EEA 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 UK Retail Investor in the United Kingdom (the “**UK**”). For these purposes, a “**UK 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 UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”), subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may be amended or superseded from time to time); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA, subject to amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (SI 2018/1403) (as may be amended or superseded from time to time); or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the “**UK Prospectus Regulation**”), subject to amendments made by the Prospectus (Amendment etc.) (EU Exit) Regulations 2019 (SI 2019/1234) (as may be amended or superseded from time to time). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to UK Retail Investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any UK Retail Investor in the UK may be unlawful under the UK PRIIPs Regulation.

Section 309B(1)(c) Notification—The Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

THE NOTES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION (THE “PHILIPPINE SEC”) UNDER THE SECURITIES REGULATION CODE OF THE PHILIPPINES (THE “SRC”). ANY FUTURE OFFER OR SALE OF THE NOTES WITHIN THE PHILIPPINES IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION UNDER THE SRC.

Pricing Supplement Dated 1 September 2021

ACEN Finance Limited

**Issue of U.S.\$400,000,000 4.00% Senior Guaranteed Undated Notes
Guaranteed by AC Energy Corporation
under the U.S.\$1,500,000,000
Medium Term Note 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 Undated Notes (the “**Conditions**”) set forth in the Offering Circular dated 31 August 2021 and any documents therein incorporated by reference (collectively, the “**Offering Circular**”). This Pricing Supplement comprises the final terms of the Undated Notes and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Undated Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. This Pricing Supplement, together with the information set out in Appendix 1 to this Pricing Supplement, supplements the Offering Circular.

1. (a) Issuer: ACEN Finance Limited
- (b) Guarantor: (LEI: 54930080P6CVPPSROL50)
AC Energy Corporation
(LEI: 549300LGUZQ61GQQXQ60)
2. (a) Series Number: 01
- (b) Tranche Number: 01
- (c) Date on which the Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: U.S.\$
4. Aggregate Nominal Amount:
 - (a) Series: U.S.\$400,000,000
 - (b) Tranche: U.S.\$400,000,000
5. (a) Issue Price: 100.00% of the Aggregate Nominal Amount
- (b) Gross Proceeds: U.S.\$400,000,000
6. (a) Specified Denominations: U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof
- (b) Calculation Amount: U.S.\$1,000
7. (a) Issue Date: 8 September 2021
- (b) Interest Commencement Date: Issue Date
8. Interest Basis: 4.00% Fixed Rate
9. Put/Call Options: Redemption at the Option of the Issuer
Redemption due to a Gross-Up Event

Redemption due to a Change of Control
Redemption due to a Tax Event
Redemption in case of Minimum Outstanding Amounts

10. Status of the Notes: Senior
11. (a) Date Board/Executive Committee approval for issuance of Notes obtained: Issuer: 27 August 2021
Guarantor: 27 August 2021
- (b) Date regulatory approval/consent for issuance of Notes obtained: None required

12. Listing: SGX-ST
13. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST PAYABLE

14. Fixed Rate Note Provisions: Applicable
- (a) Rate of Interest: 4.00% per annum payable semi-annually in arrear on each Interest Payment Date
- (b) Interest Payment Dates: 8 March and 8 September of each year
- (c) Fixed Coupon Amount: U.S.\$20.00 per Calculation Amount
- (d) Broken Amount(s): Not Applicable
- (e) Day Count Fraction: 30/360
- (f) Determination Date(s): Not Applicable
- (g) Party responsible for calculating the amount of interest payable per Calculation Amount (if not the Principal Paying Agent): Not Applicable
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: None

PROVISIONS RELATING TO REDEMPTION

15. Redemption Due to a Gross-Up Event: Applicable
- (a) Redemption Price: As specified in Condition 7.3
- (b) Notice period: As specified in Condition 7.3
16. Issuer Call: Applicable
- (a) First Redemption Date: 8 March 2025
- (b) Redemption Price: As specified in Condition 7.2

(c) Notice period:	As specified in Condition 7.2
17. Investor Put:	Not Applicable
18. Redemption upon a Change of Control:	Applicable
(a) Redemption Price:	As specified in Condition 7.5
(b) Notice period:	As specified in Condition 7.5
19. Redemption due to a Tax Event:	Applicable
(a) Redemption Price:	As specified in Condition 7.6
(b) Notice period:	As specified in Condition 7.6
20. Redemption in case of Minimum Outstanding Amounts:	Applicable
(a) Redemption Price:	As specified in Condition 7.7
(b) Notice period:	As specified in Condition 7.7

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:	Registered Notes: Registered Global Note (U.S.\$400,000,000 nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg
22. Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
23. Talons for future Coupons or Receipts to be attached to Definitive Notes in bearer form (and dates on which such Talons mature):	No
24. Redenomination, renominalization and reconventioning provisions:	Not Applicable
25. Consolidation provisions:	Not Applicable
26. Other terms or special conditions:	Not Applicable

DISTRIBUTION

27. (a) If syndicated, names and addresses of Managers:	BPI Capital Corporation 11/F Ayala North Exchange Tower One 6796 Ayala Avenue corner Salcedo Street Makati City, 1226 Philippines Credit Suisse (Singapore) Limited One Raffles Link #03/#04 South Lobby Singapore 039393
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Deutsche Bank AG, Singapore Branch
One Raffles Quay
South Tower Level 17
Singapore 048583

Goldman Sachs (Singapore) Pte.
1 Raffles Link
#07-01 South Lobby
Singapore 039393

Morgan Stanley Asia (Singapore) Pte.
23 Church Street
#16-01 Capital Square
Singapore 049481

UBS AG Singapore Branch¹
9 Penang Road
Singapore 238459

- (b) Stabilizing Manager(s) (if any): Credit Suisse (Singapore) Limited
- (c) Date of Subscription Agreement: 1 September 2021
28. If non-syndicated, name of relevant Dealer: Not Applicable
29. U.S. Selling Restriction: Reg. S Category 1; TEFRA not applicable
30. Additional selling restrictions: Not Applicable
31. Additional U.S. federal income tax considerations: Not Applicable

OPERATIONAL INFORMATION

32. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
33. Delivery: Delivery against payment
34. Additional Paying Agent(s) (if any): None
35. ISIN XS2382032956
36. Common Code 238203295
37. The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of: Not Applicable

¹ UBS AG is incorporated in Switzerland with limited liability. UBS AG has a branch registered in Singapore (UEN S98FC5560C).

USE OF PROCEEDS

An amount equal to the net proceeds will be used to finance or refinance, in whole or in part, new or existing Eligible Green Projects in accordance with the Guarantor's Green Bond Framework.

The Guarantor's Green Bond Framework is in accordance with the Green Bond Principles issued by the International Capital Markets Association. The Notes have been certified under the ASEAN Green Bonds Standard certification by the Philippine Securities and Exchange Commission on 25 August 2021.

STABILIZATION

In connection with this issue, Credit Suisse (Singapore) Limited (the "**Stabilizing Manager**") (or persons acting on behalf of any Stabilizing 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 Stabilizing Manager (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of 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 relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager (or persons acting on behalf of any Stabilizing Manager) in accordance with all applicable laws and rules.

LISTING

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$1,500,000,000 Medium Term Note Programme of ACEN Finance Limited.

SINGAPORE TAXATION

It is not clear whether the Notes will be regarded as "debt securities" by the Inland Revenue Authority of Singapore (the "**IRAS**") for the purposes of the Income Tax Act, Chapter 134 of Singapore (the "**ITA**"), whether interest and any other payments made under the Notes will be regarded as interest payable on indebtedness and whether the tax exemptions and concessions available for qualifying debt securities under the qualifying debt securities scheme would apply to the Notes.

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

Upon receipt of the advance tax ruling requested from the IRAS, the Issuer will provide the relevant details of such advance tax ruling via an announcement shortly after the receipt of the advance tax ruling. No assurance, warranty or guarantee is given on the tax treatment to holders of the Notes in respect of the interest and any other payments made under the Notes. Investors and holders of the Notes should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Notes.

If the Notes are not regarded as "debt securities" for the purposes of the ITA, interest and other payments made under the Notes are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax exemptions or concessions under the qualifying debt securities scheme, the tax treatment to holders may differ.

Where the Notes are regarded as "debt securities" for the purposes of the ITA and interest and other payments made under the Notes are regarded as interest payable on indebtedness and holders thereof are entitled to the tax concessions and exemptions available for qualifying debt securities, holders of the Notes should note the following:

Where interest, discount income, prepayment fee, redemption premium or break cost 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 shall not apply if such person acquires the 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) is required to include such income in a return of income made under the ITA.

IN THIS REGARD, PLEASE REFER TO APPENDIX 1 FOR A SUMMARY OF THE QUALIFYING DEBT SECURITIES SCHEME, WHICH IS INCORPORATED BY REFERENCE INTO THE OFFERING CIRCULAR.

DOMESTIC LEAD MANAGERS

The following acted as Domestic Lead Managers for the issuance of the Notes (in alphabetical order):

China Bank Capital Corporation

First Metro Investement Corporation

PNB Capital and Investment Corporation

RCBC Capital Corporation

APPENDIX 1

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Monetary Authority of Singapore (“MAS”) and the Inland Revenue Authority of Singapore (“IRAS”) 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 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 Offering Circular 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 the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Guarantor nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

In addition, the disclosure below is on the assumption that the IRAS regards the Notes as “debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “ITA”) and that interest and other payments made under the Notes will be regarded as interest payable on indebtedness and holders thereof are entitled to the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If the Notes are not regarded as “debt securities” for the purposes of the ITA, interest and other payments made under the Notes are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax concessions or exemptions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of the Notes should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the 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% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0%. The applicable rate for non-resident individuals is currently 22.0%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

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

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

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

Characterisation of the Notes

The ITA currently does not contain specific provisions on the Singapore income tax treatment of hybrid instruments (i.e. financial instruments that exhibit both debt-like and equity-like features) such as the Notes, which are undated and with no fixed maturity date.

However, the IRAS has issued a circular entitled “Income Tax Treatment of Hybrid Instruments” (the “**Hybrid Instruments Circular**”) which provides guidance on the factors taken into consideration when determining whether a hybrid instrument is to be treated as a debt or equity instrument for Singapore income tax purposes and the corresponding income tax treatment.

Based on the Hybrid Instruments Circular, the first step in determining the characterisation of a hybrid instrument is to determine its legal form, which involves an examination of the legal rights and obligations created by the instrument. 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 would be examined, which include (but are not limited to):

- (a) the nature of interest acquired;
- (b) investor’s right to participate in the issuer’s business;
- (c) voting rights conferred by the instrument;
- (d) obligation to repay the principal amount of the instrument;
- (e) payout;
- (f) investor’s right to enforce payment;
- (g) classification by other regulatory authority; and
- (h) ranking for repayment in the event of liquidation or dissolution.

As further provided in the Hybrid Instruments Circular:

- (a) if a hybrid instrument is characterised as a debt instrument for Singapore income tax purposes, distributions from the issuer to the investor are regarded as interest; and
- (b) if a hybrid instrument issued by a company is characterised as an equity instrument for Singapore income tax purposes, distributions from the issuer to the investors are regarded as dividends.

The Hybrid Instruments Circular also provides that where a hybrid instrument is issued by a foreign issuer, the IRAS will examine the facts and circumstances, including the characterisation of the hybrid instrument (i.e.

whether debt or equity) in the tax jurisdiction in which the issuer is based, and the factors indicated above, for the purpose of determining the characterisation of the distributions derived by investors in Singapore.

Where the Notes are Regarded as Debt Instruments for Singapore Income Tax Purposes

In the event that the Notes are characterised as debt instruments for Singapore income tax purposes, payments of interest under the Notes should be regarded as interest payments for Singapore income tax purposes. In such event, as more than half of the issue of the Notes are distributed by Credit Suisse (Singapore) Limited, Deutsche Bank AG, Singapore Branch, Goldman Sachs (Singapore) Pte., Morgan Stanley Asia (Singapore) Pte. and UBS AG Singapore Branch, each of which is a Financial Sector Incentive (Bond Market) Company, Financial Sector Incentive (Capital Market) Company or Financial Sector Incentive (Standard Tier) Company (each as defined in the ITA) at such time, and the Notes are issued prior to 31 December 2023, the Notes should be qualifying debt securities (“QDS”) 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 by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for 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 is derived from the Notes by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities shall not apply if the non-resident person acquires the Notes using the funds and profits of such person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Qualifying Income**”) from the Notes 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;
- (b) 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 for 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), Qualifying Income from the Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (c) subject to:
 - (A) 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 derived from the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (B) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for 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 Qualifying Income derived from the Notes are not subject to withholding of tax (if applicable) by the Issuer.

Notwithstanding the foregoing:

- (A) if during the primary launch of the Notes, the Notes are issued to fewer than four persons and 50.0% or more of the issue of the Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, the Notes would not qualify as QDS; and
- (B) even though the Notes are QDS, if, at any time during the tenure of the Notes, 50.0% or more of the Notes which are outstanding at any time during the life of their issue is beneficially held or funded,

directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from the Notes held by:

- (I) any related party of the Issuer; or
- (II) any other person where the funds used by such person to acquire the 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.

All foreign-sourced income received in Singapore by Singapore tax resident individuals will be exempted from tax, provided such foreign-sourced income is not received through a partnership in Singapore.

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

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

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

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

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

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

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from 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 QDS under the ITA (as mentioned above) shall not apply if such person acquires the Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Notes is not exempt from tax (including for the reasons described above) is required to include such income in a return of income made under the ITA.

Where the Notes are Regarded as Equity Instruments for Singapore Income Tax Purposes

In the event that the Notes are characterised as equity instruments for Singapore income tax purposes and the payments of interest under the Notes are to be treated as dividends in the hands of the holders of the Notes, the tax treatment to holders would differ and holders may be subject to tax in Singapore on such payments under the Notes (subject to any applicable exemptions). No assurance, warranty or guarantee is given on the tax treatment to the holders of the Notes in respect of the interest and other payments under the Notes payable to them. Investors should therefore consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Notes.

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 are required to apply Singapore Financial Reporting Standard (“FRS”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“SFRS(I) 9”) (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes”.

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

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

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

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

Estate Duty

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