

Pricing Supplement



SINGAPORE PRESS HOLDINGS LIMITED
(incorporated with limited liability in Singapore)

S\$1,000,000,000

Multicurrency Debt Issuance Programme

SERIES NO: 004

TRANCHE NO: 001

S\$[●] [●] Per Cent. Notes due 2030

Issue Price: [●] per cent.

DBS Bank Ltd.

Oversea-Chinese Banking Corporation Limited

United Overseas Bank Limited

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

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

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

This Pricing Supplement, under which the Notes described herein (the “**Notes**”) are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 2 May 2019 (as revised, supplemented, amended, updated or replaced from time to time, the “**Information Memorandum**”) issued in relation to the S\$1,000,000,000 Multicurrency Debt Issuance Programme of Singapore Press Holdings Limited (the “**Issuer**”). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue and offering of the Notes.

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

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

There has been no material adverse change, or any development involving a prospective material adverse change, in the financial condition, business, assets or results of operations of the Issuer or the Group, taken as a whole since 31 August 2019.

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

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

PRIIPs 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 (“**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 MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation 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 Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently no key

information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Singapore Press Holdings Limited

Signed: _____
Director

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

1. Series No.: 004
2. Tranche No.: 001
3. Currency: Singapore dollars
4. Principal Amount of Series: S\$[•]
5. Principal Amount of Tranche: S\$[•]
6. Denomination Amount: S\$250,000
7. Calculation Amount (if different from Denomination Amount): Not Applicable
8. Issue Date: [•] January 2020
9. Redemption Amount: Denomination Amount , except in the case of redemption pursuant to Condition 6(d) which shall be determined in accordance with paragraph 17 (including early redemption):
10. Interest Basis: Fixed Rate
11. Interest Commencement Date: [•] January 2020
12. **Fixed Rate Note**
 - (a) Maturity Date: Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Redemption Amount on [•] January 2030
 - (b) Day Count Fraction: Actual/365 (fixed)
 - (c) Interest Payment Date(s): [•] January and [•] July in each year, with the first Interest Payment Date falling on [•] July 2020
 - (d) Initial Broken Amount: Not Applicable
 - (e) Final Broken Amount: Not Applicable

(f)	Interest Rate:	[●] per cent. per annum
13.	Floating Rate Note	Not Applicable
14.	Variable Rate Note	Not Applicable
15.	Hybrid Note	Not Applicable
16.	Zero Coupon Note	Not Applicable
17.	Issuer's Redemption Option Period (Condition 6(d)):	<p>Yes</p> <p>The Issuer may, on giving not less than 30 days' nor more than 60 days' prior notice to the Noteholders, redeem all or some of the Notes on any Interest Payment Date prior to the Maturity Date at their Make-Whole Amount together with interest accrued to (but excluding) the date fixed for redemption.</p> <p>For the purposes of Condition 5(d), the "Make-Whole Amount" means an amount equal to the greater of:</p> <p>(i) an amount equal to the sum of:</p> <p style="margin-left: 40px;">(a) the present value of the principal amount of the Notes discounted from the Maturity Date; and</p> <p style="margin-left: 40px;">(b) the present value of the remaining scheduled interest with respect to the Notes to and including the Maturity Date,</p> <p>the expression "present value" in (a) and (b) above to be calculated by discounting the relevant amounts to the date of redemption of the Notes at the rate equal to the sum of (1) the closing Singapore</p>

dollar swap offer rate appearing on (in the case of Singapore dollar swap offer rates corresponding to durations of less than one year) Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00hrs London Time" under the column headed "SGD SOR" (or its replacement page) and (in the case of Singapore dollar swap offer rates corresponding to durations of one year and above) Reuters Screen PYSGD1 Page at 18:00hrs Singapore time under the left hand side of the column headed "TULLET PREBON ASIA – SEMI/ACT 365 – SGD/SGD" (or its replacement page) corresponding to the duration of the remaining period to the Maturity Date of the Notes expressed on a semi-annual compounding basis (rounded up, if necessary, to four decimal places) on the eighth business day prior to the date of redemption of the Notes, provided that if there is no rate corresponding to the relevant period, the swap offer rate used will be the interpolated interest rate as calculated using the swap offer rates for the two periods most closely approximating the duration of the remaining period to the Maturity Date and (2) 0.50 per cent.; and

- (ii) the principal amount of the Notes.

18.	Noteholders' Redemption Option Noteholders' Redemption Option Period (Condition 6(e)):	No
19.	Redemption upon Cessation or Suspension of Trading of Shares (Condition 6(g))	Yes
20.	Redemption in the case of Minimum Outstanding Amount (Condition 6(h)):	No
21.	Issuer's Purchase Option Issuer's Purchase Option Period (Condition 6(b)):	No
22.	Noteholders' VRN Purchase Option Noteholders' VRN Purchase Option Period (Condition 6(c)(i)):	No
23.	Noteholders' Purchase Option Noteholders' Purchase Option Period (Condition 6(c)(ii)):	No
24.	Redemption for Taxation Reasons: (Condition 6(f))	Yes
25.	Form of Notes:	Registered Global Certificate
26.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No
27.	Applicable TEFRA exemption:	Not Applicable
28.	Listing:	Singapore Exchange Securities Trading Limited
29.	ISIN Code:	[•]
30.	Common Code:	[•]
31.	Clearing System(s):	The Central Depository (Pte) Limited

32.	Depository:	The Central Depository (Pte) Limited
33.	Delivery:	Delivery free of payment
34.	Method of issue of Notes:	Syndicated Issue
35.	The following Dealers are subscribing the Notes:	DBS Bank Ltd. Oversea-Chinese Banking Corporation Limited United Overseas Bank Limited
36.	Stabilising Manager:	Not Applicable
37.	Prohibition of Sale to EEA Retail Investors:	Applicable
38.	The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars):	Not Applicable
39.	Paying Agent:	CDP Issuing and Paying Agent
40.	Registrar:	CDP Registrar
41.	Transfer Agent:	CDP Transfer Agent
42.	Private Bank Rebate/Commission:	Applicable Private banking selling commission of 0.25 per cent. of the aggregate principal amount of the Notes allocated to private banking sales channels
43.	Use of proceeds:	After deducting issue expenses, for general working capital, capital expenditure and corporate requirements (including acquisitions and investments), and/or refinancing existing borrowings of the Issuer and its subsidiaries

44. Other terms:

Please refer to the Annex to this Pricing Supplement

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

Please refer to the Schedule to this Pricing Supplement

Any additions or variations to the selling restrictions:

SCHEDULE

The Terms and Conditions of the Notes shall be amended by inserting a new Condition 5(VI) immediately after Condition 5(V) as follows:

“(VI) Benchmark Discontinuation and Replacement

(a) Independent Adviser

Notwithstanding the provisions above in this Condition 5, if a Benchmark Event occurs in relation to an Original Reference Rate when any Make-Whole Amount (as defined in the applicable Pricing Supplement) (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(VI)(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)) by no later than five Business Days prior to the relevant Interest Payment Date on which the Make-Whole Amount is to be paid. An Independent Adviser appointed pursuant to this Condition 5(VI) as an expert shall act in good faith and in a commercially reasonable manner and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the CDP Issuing and Paying Agent, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 5(VI).

If the Issuer is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Rate prior to the relevant Interest Payment Date on which the Make-Whole Amount is to be paid, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(VI)(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5(VI)(c)) and any Benchmark Amendments (in accordance with Condition 5(VI)(d)).

(b) Successor Rate or Alternative Rate

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) acting in good faith (as the case may be) determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5(VI)(c)) subsequently be used in place of the Original Reference Rate to determine the Make-Whole Amount (or the relevant component part thereof) (subject to the operation of this Condition 5(VI)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5(VI)(c))

subsequently be used in place of the Original Reference Rate to determine the Make-Whole Amount (or the relevant component part thereof) (subject to the operation of this Condition 5(VI)).

(c) Adjustment Spread

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(d) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5(VI) and the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(VI)(e), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

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

For the avoidance of doubt, the Trustee and the Paying Agents shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5(VI). Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents (if required). Further, none of the Trustee, the Calculation Agents, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Advisor with respect to any Successor Rate or Alternative Rate (as applicable)

and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

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

(e) Notices, etc.

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

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by a director or an authorised signatory of the Issuer:

- (i) confirming (1) that a Benchmark Event has occurred, (2) the Successor Rate or, as the case may be, the Alternative Rate and, (3) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5(VI); and
- (ii) certifying that the Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the CDP Calculation Agent, the CDP Issuing and Paying Agent and the Noteholders.

(f) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 5(VI)(a), 5(VI)(b), 5(VI)(c) and 5(VI)(d), the Original Reference Rate and the fallback provisions provided for in Condition 5 will continue to apply unless and until the CDP Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with Condition 5(VI)(e).

(g) Definitions

As used in this Condition 5(VI):

“Adjustment Spread” means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iii) if no such industry standard is recognised or acknowledged, the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines to be appropriate;

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 5(VI)(a)) (as the case may be) determines in accordance with Condition 5(VI)(b) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining make-whole amounts (or the relevant component part thereof) in the same currency as the Notes;

“Benchmark Amendments” has the meaning given to it in Condition 5(VI)(d);

“Benchmark Event” means:

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

- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months; or
- (v) it has become unlawful for the CDP Issuing and Paying Agent, the CDP Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

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

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Make-Whole Amount (or any component part thereof) of the Notes;

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

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

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

ANNEX

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

The section “Risk Factors” in the Information Memorandum shall be amended by inserting the following risk factor immediately before the risk factor “*The Securities are not secured*” appearing on page 136:

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

The Make-Whole Amount (as defined in the applicable Pricing Supplement) of the Notes to be determined upon exercise by the Issuer of its redemption option pursuant to Condition 5(d) of the Notes is calculated by reference to the Singapore dollar swap offer rate (the “**Swap Offer Rate**”). The Swap Offer Rate is a reference rate or index which is deemed to be a “benchmark”. The USD London Interbank Offered Rate (“**LIBOR**”), which is another reference rate or index which is deemed to be a “benchmark”, is utilised in the determination of the Swap Offer Rate.

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

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to certain benchmarks; (ii) triggering changes in the rules or methodologies used in certain benchmarks; or (iii) leading to the disappearance of the certain benchmarks.

For example, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR after 2021 (the “**FCA Announcement**”). The FCA Announcement indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

As the Swap Offer Rate methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after end-2021 will impact the future sustainability of the Swap Offer Rate. On 30 August 2019, the MAS announced that, it has established an industry-led steering committee

to oversee an industry-wide interest rate benchmark transition from the Swap Offer Rate to the Singapore Overnight Rate Average.

The Conditions of the Notes provide that the Make-Whole Amount of the Notes shall be determined by reference to the Swap Offer Rate. Uncertainty as to the continuation of the Original Reference Rate and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Notes.

Benchmark Events include (amongst other events) permanent discontinuation of the Original Reference Rate. If a Benchmark Event occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate to determine the Make-Whole Amount may result in the Notes performing differently (which may include payment of a lower Make-Whole Amount) than they would do if the Original Reference Rate were to continue to apply in its current form.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser or, as the case may be, the Issuer, the Conditions of the Notes also provide that an Adjustment Spread may be determined by the Independent Adviser or, as the case may be, the Issuer and applied to such Successor Rate or Alternative Rate.

The Adjustment Spread is either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser or the Issuer (as the case may be) determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which: (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate) (ii) the Independent Adviser or the Issuer (as the case may be) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (iii) if no such industry standard is recognised or acknowledged, the Independent Adviser or the Issuer (as the case may be) determines to be appropriate.

Accordingly, the application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Make-Whole Amount) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate, Alternative Rate or Adjustment Spread for the Original Reference Rate is determined by the Independent Adviser or, as the case may be the Issuer, the Conditions of the Notes provide that the Issuer may vary the Conditions of the Notes and the Trust Deed, as necessary to ensure the proper operation of such Successor Rate, Alternative Rate or Adjustment Spread, **without** any requirement for consent or approval of the Noteholders.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Conditions of the Notes, in which case the Issuer may determine the Successor Rate or the Alternative Rate and, in either case, the Adjustment Spread. Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser, or the Issuer (as the case may be) is unable, to determine a Successor Rate or Alternative Rate before the relevant Interest Payment Date on which the Make-Whole Amount is to be paid, there will be much uncertainty associated with the determination of the Make-Whole Amount in the event of the exercise of the Issuer's option to redeem the Notes prior to their maturity.

The elimination of the LIBOR, Swap Offer Rate or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the calculation provisions of the Conditions (as further described in Condition 5(VI) of the Notes), or result in adverse consequences to holders of any Notes linked to such benchmark. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities based on the same benchmark.

Due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser acting in consultation with the Issuer, the relevant fallback provisions may not operate as intended at the relevant time.

Any of the above changes or any other consequential changes as a result of international reforms, domestic reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.”.